

complaint

Mr G is unhappy that Provident Personal Credit Limited continued to pursue him for a debt that was not his. He says he had been the victim of fraud carried out by an agent employed by Provident.

Mr G has been represented by his support worker throughout the complaint.

background to the complaint

Mr G tells us that he had taken out a loan with Provident in 2006, which he repaid in 2007. One of Provident's agents subsequently used Mr G's personal information to take out further loans in his name. The agent also used Mr G's address to take out a loan in a third party's name.

Mr G first contacted Provident about the loans in June 2011. By that time he had received a considerable number of letters. Provident arranged for the accounts to be closed. It did inform Mr G that its system may generate automatic letters for a period of up to 8 weeks, which he should ignore. I can see that further letters were sent to Mr G in August and September 2011.

Mr G then received further letters in August 2013 notifying him that the debt was still outstanding. Provident offered Mr G a payment of £200 as compensation for distress and inconvenience, which Mr G did not accept.

Mr G subsequently received a statement of account in October 2013.

Mr G's support worker has told us that he suffers with severe mental health issues, which have a huge impact on him. The letters he received about the loans have, amongst other things, raised his level of anxiety and contributed to his trust issues.

our initial conclusions

Our adjudicator upheld the complaint. She asked Provident to make a payment of £300 to Mr G and remove any adverse credit reference reports from his credit file.

Provident accepted the adjudicator's recommendation. Mr G was extremely unhappy with the outcome and feels the award does not reflect his personal circumstances. Mr G was also unhappy that Provident would not provide further information about the agent.

my findings

I have considered all the available evidence and arguments to decide what is fair and reasonable in the circumstances of this complaint.

It is accepted that loans were fraudulently taken out in Mr G's name and using his address. It is also accepted that the matters complained of would have caused distress and inconvenience. The only remaining issue is the appropriate level of compensation to reflect the distress and inconvenience caused to Mr G.

I understand that the agent's actions caused Mr G a great deal of distress. But I cannot given the circumstances hold Provident responsible for the agent's actions. I can confirm that the agent pleaded guilty and was sentenced.

The available evidence shows that Mr G contacted Provident in June 2011. He also advised it that he was ill. Provident took prompt action to close the accounts at that time. Provident also warned Mr G that he may receive further letters for up to 8 weeks after the closure of the accounts, which he should ignore. Mr G did receive two further letters in August and September 2011. At this point it was entirely reasonable for him to conclude that matters were at an end.

Unfortunately that was not the case. Mr G received further letters in August and October 2013 regarding the assignment of the debt to a third party and a letter requesting payment from the third party. His support worker raised a further complaint with Provident.

I am satisfied that Mr G has severe mental health issues and that the impact on him of receiving these letters was high. His support worker and a friend have provided evidence of the impact on him of matters being reopened in 2013. I consider that compensation of £750 for the distress suffered by Mr G is appropriate. This level of award takes account of the actual impact on Mr G of receiving further letters about the outstanding debt.

my final decision

My final decision is that Provident Personal Credit Limited must:

- pay Mr G the sum of £750 compensation to reflect the distress he has suffered; and
- confirm in writing to Mr G that any associated entries recorded with credit reference agencies have been removed.

Juliana Francis
ombudsman