

complaint

Ms B complains about the way that Provident Personal Credit Limited has dealt with her two loans with it.

background

Ms B took out two £500 loans in October 2013. She had wanted one loan for £1,000 but Provident wouldn't provide that. Ms B says that she was told by the Provident agent that it would write-off the loans when the outstanding balance on each was £50. So she reduced the balance on each loan to £50 but Provident is requiring her to repay the full amount. She complained to Provident but wasn't satisfied with its response so complained to this service.

The adjudicator didn't recommend that this complaint should be upheld. He concluded that Ms B signed and accepted two separate loan agreements for £500 each. Both agreements said that the total amount to be paid back was £1,008 and that - by signing the agreements - Ms B agreed to be bound by the loan terms. He noted that Provident had told him that, even if Ms B had been provided with a single £1,000 loan, there wouldn't have been any difference in the terms of the loan, including the rate of repayment and interest applied. The adjudicator noted that the agreements were meant to last for 84 weeks so Ms B was contractually obliged to pay off the amounts by the end of that period. But payments to the loans were still being made after that period had expired. So Provident has said that it wouldn't have been in a position to offer any early settlement amount. The adjudicator didn't believe that he had been provided with enough information to say Provident had misled Ms B.

Ms B has asked for her complaint to be considered by an ombudsman. She says, in summary, that Provident's agent has confirmed to her that she was told that Provident would write-off the loans when the outstanding balance on each was £50.

But the adjudicator has spoken with the agent. The agent says:

- Ms B had come into a bit of money and was looking to pay off the loan balances quicker;
- Provident agreed to take £20 off the balance - which Ms B did not accept; and
- Provident then said it would be prepared to take £100 off the total balance if Ms B paid the full balance at that time.

Ms B didn't repay the loans at that time. The adjudicator didn't consider that there was enough evidence to show that Provident had agreed to write-off the loans when the outstanding balance on each was £50 so he said that he wouldn't be able to change his assessment.

my findings

I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint. Having done so - I agree with the adjudicator - and for the same reasons.

my final decision

So my decision is that I don't uphold Ms B's complaint.

Under the rules of the Financial Ombudsman Service, I am required to ask Ms B to accept or reject my decision before 11 April 2016.

Jarrold Hastings
ombudsman