

## **The complaint**

Mr G complains Debt Correct haven't administered his Debt Management Plan (DMP) properly leading to missed payments being reported on his credit file.

## **What happened**

The information I have shows Mr G entered into the DMP around November 2023. I've taken this from the Information Pack Debt Correct sent Mr G after discussing his requirements on the phone.

Mr G went to make a purchase, and found Z had been reporting missed payments to his credit file. Given Mr G was in a DMP where he understood payments were being made to Z by Debt Correct, he emailed them to find out what was going on 24 March 2025. After a week he didn't get a reply, and called them on 1 April 2025. In the call, I understand Mr G was told Debt Correct hadn't done anything wrong. He wasn't happy with this, so he complained.

Debt Correct said they received Mr G's email of 24 March 2025 and didn't think it unreasonable that a week later they hadn't replied to him. Debt Correct added that the core issue was about Z reporting missed payments. They explained when someone is on a DMP customer's accounts with lenders do go into arrears – because the minimum monthly payments aren't being made. Debt Correct said Mr G was told this in the initial call and then in the welcome pack – and overall they're not responsible for the reporting, Z are. So, they didn't think they'd done anything wrong.

Mr G wasn't happy with this, so asked us to look into things. One of our Investigators did so, and also found Debt Correct had acted fairly. Unhappy with this Mr G asked to escalate matters, saying the purpose of paying Debt Correct the DMP fee was to manage communications with his creditors. As Mr G is unhappy, his complaint has been passed to me to decide.

## **What I've decided – and why**

I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint.

I think it's important to explain I've considered all of the information provided by both parties in reaching my decision. If I've not reflected or answered something that's been said it's not because I didn't see it, it's because I didn't deem it relevant to the crux of the complaint. This isn't intended as a discourtesy to either party, but merely to reflect my informal role in deciding what a fair and reasonable outcome is.

In respect of the delay in replying to Mr G's email I also don't find seven days to be particularly unreasonable. I understand Mr G's frustration, because resolving this issue was very important to him – but I can also see he had the option of calling Debt Correct which he ultimately did.

The key issue in Mr G's complaint though is about Debt Correct's actions. From my understanding Mr G believes Debt Correct's actions have led to the eight missed payments being reported.

Before I get into Debt Correct's actions, I wanted to explain that all of Mr G's creditors – including Z – had the option to reject the DMP. That's because a DMP is an informal solution which creditors don't have to agree to. But, generally speaking, in situations where a lender is going to report missed payments it'd be their responsibility to tell their customer this directly.

Looking at Debt Correct's actions now – when setting up the plan I understand on the phone they made it clear adverse information could still be reported to Mr G's credit file. This is confirmed in the Information Pack Mr G was sent after the calls. So, I'm satisfied Debt Correct made Mr G aware this kind of situation could happen.

I can also see it was made clear to Mr G – again over the phone and in the Information Pack – lenders may not always agree to this because it's an informal solution as I've said above.

So, the decision on what lenders do is entirely outside of Debt Correct's control. What that leaves then is how they've communicated with Mr G about this situation.

Clearly, if Debt Correct knew Z weren't taking the payments, then I'd expect them to have told Mr G.

When asked, Debt Correct said Z didn't communicate with them at all. We also asked what happened to the payments Debt Correct sent to Z, and the payments were all accepted.

In the circumstances, without Z telling Debt Correct they were no longer accepting payments as part of the DMP, or returning the payments to alert Debt Correct to something being wrong, I can't see how they could have known.

I completely understand Mr G's frustration and disappointment here. He's taken positive and responsible steps to manage his debt and improve his financial position, only to find eight missed payments being reported. But, for all the reasons I've mentioned above, I simply can't find Debt Correct did anything wrong or could have known something was wrong.

### **My final decision**

I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr G to accept or reject my decision before 17 November 2025.

Jon Pearce  
**Ombudsman**