

The complaint

Mr H complains SOLVENDO LTD trading as Bell & Company (Bell) didn't provide the debt adjusting service he paid them for.

I'm aware a representative has supported Mr H in this complaint, but for simplicity I'll mainly refer to him in this decision.

What happened

I issued a provisional decision setting out what'd happened, and what I thought about that. I've copied the relevant elements of this below, and they form part of this final decision.

As I understand it sometime ago Mr H took out an interest only mortgage with a company I'll refer to as B. The term has come to an end, and unfortunately Mr H wasn't able to pay it back, and his property was in negative equity.

Mr H engaged the services of Bell – and he's said his understanding was for a fee of £4,500 plus VAT – along with 10% of anything they saved him – they'd help him with this problem. Mr H also told Bell he'd been mis-sold his mortgage, which Bell again said they could help him. Mr H says the attitude from the sales agent was so positive, he paid this fee. Mr H's stated objective was to remain on the land he currently owed while paying back enough to clear the outstanding debt with B.

Mr H says his case was then apparently taken on by one of Bell's senior negotiators. Beyond gathering more information and getting him to pay another £450 for a surveyor to value the property – which Mr H says hadn't been mentioned before – nothing much happened. Mr H says due to his health his representative did most of the talking. And, Mr H's understanding is Bell's agent didn't do much negotiation with B – the only time they did, is when Mr H suggested settling for around £350,000. The offer was refused, and Mr H says Bell then told him "Tell Mr H...to do a consensual sale of the property or else throw them the keys."

I'm aware that Mr H has some health conditions which were present at the time of these events. I've taken them into account, but for Mr H's privacy I've not mentioned them as this decision is published on our website.

In response to Mr H's complaint, Bell said they operate on a Retainer Fee and a Success Fee which is set out in their contract. They said Mr H was under no obligation to use them, and the initial consultation was free. They gave a timeline and said they'd acted under Mr H's instructions. And when B wouldn't accept what they'd said, they had to propose alternative options. Bell said Mr H disagreed with any route. In terms of the costs and support, they didn't think they'd done anything wrong. Overall, Bell didn't uphold Mr H's complaint.

Unhappy with this Mr H asked us to look into things.

One of our Investigators did so, and overall felt Bell hadn't done anything wrong.

Mr H didn't accept this, saying:

- *Bell told him they'd save him money and it was on the strength of this reassurance he paid the fee.*
- *After a few weeks nothing had happened, so he began making suggestions – and an offer was made to B, but when it was rejected Bell then seemed to lose interest and didn't try to negotiate further.*
- *Shortly after, Bell suggested he sell the house or 'throw' the keys to B which Mr H said was rubbish.*

Overall, Mr H felt some sort of refund was due. As Mr H didn't agree with our Investigator, the complaint was passed to me to decide.

Before doing so, I arranged for us to try and gather a bit more information – including a recording of the initial meeting Mr H and Bell had, as well as phone calls. Mr H and Bell have told us they don't have those recordings.

What I've provisionally 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.

I'd like to say how sorry I am to read of Mr H's health conditions and the impact they've had on him. But, being impartial means I need to critically assess whether Bell have made any errors or not. And, even if they, whether there has been an unfair impact on Mr H.

I'm aware one of Mr H's key concerns is how positive the first person at Bell he spoke to was, and that they misled him into paying the fee. So, I'll initially focus on this point.

The difficulty for me here is I wasn't present at the meeting – and there is no recording of it. So, I can't independently assess what was said.

Where information is incomplete or missing, as it is here, then I need to decide things based on what I think is more likely than not – taking into account the information I do have.

This includes the notes Bell have provided. This is a record of emails sent and received – as well as Bell's internal notes about phone calls which took place.

In the notes there is an email from Mr H's representative to say Mr H is happy to pay the fee – and this is dated 9 May 2023. In the communications around this time, Bell say once the payment is made then a meeting will be set up to discuss things with Mr H – which is seemingly this first meeting he's talking about.

So, I can't agree Mr H was misled into paying the fee as a result of Bell's positivity in the initial meeting.

But, Mr H's overarching point is the agreement was mis-sold to him. So I've next considered that.

The basis of the agreement between Mr H and Bell is the Services and Fee Agreement document dated 24 May 2023.

In brief, this says Bell will:

- Deal with the case until a resolution is reached
- Tell B about their appointment and manage any communications going forward
- Liaise with a surveyor to gain an accurate valuation of the property
- Make an assessment about how best to resolve things while keeping Mr H on the land (as was his request) once a valuation had been received
- Negotiate with B for a full and final settlement if there was a shortfall once the sale of any land or property had been completed

Focusing initially on whether Bell have done what they said they would in respect of negotiating with B first requires me to look at when they were in a position to do this.

I think Bell's paperwork sets out they needed to have a valuation to determine the next steps. This sounds sensible to me, as I can't see how they could engage with B in any kind of negotiations without knowing what precisely the valuation of the land and property was.

It seems there were some issues with the valuation initially, as there is an email from Mr H's representative on 20 July 2023 to say it doesn't mention part of the land. On 3 August 2023 there's a note to show Bell wanted to discuss the valuation with Mr H for his instructions. They received Mr H's instructions on 7 August 2023 and then asked for more information on 17 August 2023. This information was received on 24 August 2023 and on 12 September 2023 Bell told Mr H's representative they were waiting to hear back from B.

At this point, I've not found any significant delays in Bell's actions although I can see at times Mr H / his representative chased Bell.

But, I think Bell did provide incorrect information to Mr H. We asked Bell for confirmation of exactly what they'd done with B, and they said we could rely on the final response. This says Bell told Mr H on 12 September 2023 they were submitting the offer, whereas the actual email sent on 12 September 2023 says they were waiting to hear back from B – which are two different things. I've not been provided with anything else to show Bell had contacted B on or before 12 September 2023 as they've suggested to Mr H.

The proposal wasn't submitted until 20 September 2023 – around a month after Mr H and his representative had replied to Bell. I think this is too long.

In thinking about when Bell have done something wrong – which here I think they've told Mr H something seemingly incorrect and taken too long to submit the proposal – I need to think about the impact. I'll come back to this at the end of the decision.

So, the proposal was submitted on 20 September 2023 – and an answer was given just over one month later on 26 October 2023. I can't hold Bell responsible for how long B take to review a proposal, and I don't think one month is too long in any event for this kind of issue.

Unfortunately for Mr H, B's answer to his proposal was no. Mr H's main concern at this point is Bell didn't then negotiate with B to try and come up with a different solution. Bell say they offered Mr H some other options, but he didn't want to go ahead with them.

I've not seen anything to show Bell did then negotiate further with B. But, conscious Mr H's proposal was for him to stay on the property, and B wouldn't allow that, I don't think that left Bell with many options. I can see, and Mr H has confirmed this, Bell told him to either do a sale or hand the keys over to B.

I understand Mr H feels these weren't options that needed an expert opinion – but he's also not suggested as far as I can see what else could have been done at this point. Bell have offered an opinion about how to move forward which Mr H has rejected. In the circumstances, I think it's very difficult for me to say Bell haven't done what I would have expected them to do. I am genuinely sorry to hear Mr H wasn't successful in his proposal, but I can't see anything that shows me this is Bell's fault. Nor can I see anything inherently wrong in the way they approached things in terms of the negotiation.

I'm also aware Mr H says Bell told him to 'throw the keys' back at B. It's difficult for me to assess this without the context in which the comment was made. But, I'd agree generally if this was said it doesn't sound overly professional, or sensitive to the situation Mr H was in.

Thinking next about the fee for the surveyor, I've seen an email from Bell to Mr H which does say he can use his own surveyor. This though is after he's paid them the main £4,500 plus VAT fee – and his concern about this is more around he wasn't told about the surveyor fee.

I agree, he wasn't.

What I can see is on 28 April 2023 the first person at Bell Mr H spoke to emailed and referred to 'our valuer'. And on 9 May 2023, they've said 'We have a valuer here that we can use to our advantage...'

I do think both of these comments give a clear impression the valuation side of things is part and parcel of the overall service Bell provide.

I have to accept it's possible Mr H was told about this on the initial phone call, and although he says he wasn't memories can and do fade. But, as neither party can provide the call, I have to decide what I think is more likely than not.

So, given the emails above, I think it's more likely than not Mr H wasn't told about the fee for the surveyor and thought this service was included in what he'd already paid for.

Summary

While I understand Mr H will be disappointed, I've not found he was misled or otherwise misled the agreement he entered into. So, I won't be telling Bell to refund any part of the £4,500 plus VAT fee he paid.

I do think Bell misled Mr H about the surveyor fee. My understanding is the fee was paid to a surveyor Bell recommended – but this was after they'd told Mr H they had a valuer. I don't know if Bell consider these are two different entities, but it doesn't come across that way in the emails to Mr H so I'm not sure how he could have known.

But, just because Bell didn't tell Mr H about the surveyor fee doesn't mean automatically it can or should be refunded. A valuation was a key part of this process, and so this is a fee he would have always had to pay. It's disappointing he likely wasn't told about this until after he'd paid the main fee. But given the importance of a valuation, and the overall consequences to Mr H if a resolution about his property couldn't be reached, I think it's likely he'd have agreed to pay the fee even if he was told about it up front. And as I've explained, it is a possibility the fee was explained to him. So, I don't think it's appropriate to refund the fee. But, I do think it'd be appropriate to compensate Mr H for the poor communication. He didn't know he'd have to pay a fee, and I can see he's said this was a very unwelcome additional cost.

In respect of the customer service – generally I think it's been acceptable. But, I don't think it's ok Bell told Mr H they were waiting to hear from B when I've seen no evidence they'd actually contacted them. And I do think it took too long to put the proposal over to B.

Taking into account the issues I've found, I think a total of £350 compensation is a fair outcome and in line with the kind of awards our service makes.

Responses to my provisional decision

Bell replied and said they accepted my outcome.

Mr H replied and said in respect of the £450 surveyor fee he and his representative are clear this wasn't communicated to them. He said this extra fee was only mentioned to them later which added to the costs and turned out to be a complete disappointment to him. Mr H felt he considered this to be sharp practice, unfair, and asked I consider adding half of the fee to the compensation. But, despite the above, he's prepared to accept my outcome.

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'd like to firstly thank both parties for replying promptly to my provisional decision.

I thought it important I address Mr H's comments regarding the surveyor fee.

I have reached the conclusion it's more likely than not he wasn't told about the fee in the initial call – which he and his representative said he wasn't, and Bell haven't disputed. But, I still think Mr H would have paid the fee even if he'd been told about it upfront because of the situation he found himself in at the time. I understand the cost was a very unwelcome one for him, but my conclusion is he'd have likely still paid it given how crucial it was to the whole process he was undertaking with Bell.

It's for that reason I don't reasonably think I can require Bell to refund any part of the £450 fee. But, I can compensate him for the unwelcome surprise of being told about the fee later on, when he should have been told about it upfront.

Although I wouldn't 'split' the compensation between different elements, as it's more about the holistic issues I've found with Bell's customer service, the majority of the compensation is because I don't think Bell told Mr H about the surveyor fee.

Taking into account Mr H's comments, along with Bell's, I'm satisfied £350 compensation remains fair.

My final decision

For the reasons I've set out above, I partially uphold this case and require SOLVENDO LTD trading as Bell & Company to pay Mr H £350 compensation.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr H to accept or reject my decision before 16 February 2026.

Jon Pearce
Ombudsman