

complaint

Mr G complains Clear View Finance Limited didn't explain how his debt management plan would work or keep him updated. He complains his credit file has been adversely affected.

background

In 2012 Mr G says Clear View Finance called offering to help him with his debts. Mr G says he agreed to sign up to its debt management plan.

Mr G subsequently complained to Clear View Finance that his creditor hadn't been receiving his payments. He complained that his credit file had been adversely affected as a result.

Clear View Finance investigated Mr G's complaint and agreed to refund him just over £450 – money it had received which hadn't been paid to Mr G's creditor or towards its fees. Mr G was unhappy with this and complained to us.

Our adjudicator recommended that this complaint be upheld as he didn't feel Clear View Finance had explained how it would help Mr G reduce his debts. He didn't feel, in particular, that Clear View had explained that it would be making token payments to his creditor. He recommended that Clear View Finance refund the monthly payments Mr G had made less the £758 it had paid to Mr G's creditor plus interest. He also recommended compensation of £150 for the inconvenience Mr G had been caused. Clear View Finance didn't reply to our adjudicator's recommendations so I was asked to review this complaint.

my findings

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

Mr G agreed to pay his creditor just over £60 a month when Clear View Finance started to help him. Approximately a year later Clear View Finance started making token payments. I'm satisfied Clear View Finance didn't tell Mr G that it was going to do this or that it had done so.

I can see that Mr G's creditor has defaulted his account. I have, however, seen a letter from Mr G's creditor to Mr G explaining that this would happen.

Given the above, I agree that Clear View Finance ought to refund the money to Mr G that it hasn't paid to his creditor along with interest. I also agree that it should pay Mr G £150 in compensation. I don't agree that any amendments need making to Mr G's credit file as I'm satisfied that Mr G was aware he might be defaulted and his file is accurate.

my final decision

My final decision is that I require Clear View Finance Limited:

- to refund all of the payments it has received from Mr G since his debt management plan began less the £758 it has paid to Mr G's creditor;
- to pay interest on these refunds at a rate of 8% a year simple from the date the payment was received to the date of settlement; and
- to pay Mr G £150 for the inconvenience it has caused him

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr G to accept or reject my decision before 7 December 2015.

Nicolas Atkinson
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