

complaint

Mr M and his representative complain about the advice he was given by Debt Advisory Line Limited to enter into a debt management plan. They say it was mis-sold to him and wasn't the appropriate solution for his situation. He wasn't told that charges and interest might continue to accrue or that other similar free services were available elsewhere. They want Mr M to be put back in the position he would've been in if he hadn't entered into the plan.

background

Our adjudicator felt this complaint shouldn't be upheld. She said:

- Mr M entered into the plan in 2011. Debt Advisory Line said in a phone call then that interest and charges may still be added onto his debts. Mr M acknowledged this and didn't challenge it. It also checked his income and expenditure.
- In 2015 Debt Advisory Line called Mr M. A review took place and it went through his income and expenditure to make sure the plan was suitable for him. There was careful review of the plan. Mr M was also sent a letter every year with a review of his finances. He can't agree Debt Advisory Line didn't ensure the plan was suitable for him.
- In 2011 when the plan was agreed Debt Advisory Line wasn't obliged to tell Mr M of other free similar services. But in the call in 2015 he was told other free services were available. This was also mentioned in a call in 2016. Again Mr M acknowledges this. Mr M was aware of other free services.
- Debt Advisory Line has dealt with Mr M's complaint fairly and he isn't recommending it should do anything.

Mr M's representative doesn't agree and has asked for an ombudsman review. In summary it says the plan should've been reviewed every year. And Debt Advisory Line's terms say it will review the plan every six months. Mr M wasn't told, as he should've been, of the free options available to him.

The adjudicator confirmed Debt Advisory Line had carried out annual reviews as required. It'd tried to contact Mr M in 2012, 2013 and 2014. But these attempts weren't successful. So, it also sent him a letter explaining the plan's status. It successfully contacted him in 2015 and went through the annual review. Mr M was told of the free services but chose to continue using Debt Advisory Line. It'd acted fairly and reasonably in Mr M's best interests.

my findings

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

Some of the evidence in this case is incomplete, inconclusive or contradictory. So, I've made my decision based on what I think is more likely to have happened than not.

I agree with the adjudicator's conclusions for the same reasons. On balance I don't think the debt management plan was mis-sold to Mr M as is suggested or that he wasn't reasonably advised of his options or what it entailed.

Although I recognise Mr M's frustration, taking everything into account I don't think I can fairly or reasonably require a payment of compensation to him as he and his representative would like.

Overall, I don't see any compelling reason to change the proposed outcome in this case.

my final decision

I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr M to accept or reject my decision before 21 December 2016.

Stephen Cooper
ombudsman