

## **complaint**

Miss T and her representative are unhappy about the advice she was given by 123 Debt Solutions Ltd to enter into a debt management plan. They say it was mis-sold to her and wasn't the best option for her. She wasn't told of the fees or that other similar free services were available. The plan was poorly administered. She wants compensation and to be put back in the position she would've been in if he hadn't entered into the plan.

## **background**

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

- The signed terms and conditions make clear there would be fees charged. In signing the agreement Miss T confirmed she'd read the terms, understood and accepted them.
- Before entering the plan 123 Debt Solutions went through Miss T's available options. It explained it would discuss an IVA when her position had stabilised. And Miss T didn't want to consider bankruptcy as this may mean she'd have to pay her disposable income towards it for three years. It also reviewed her circumstances and made alterations to the monthly payments based on the information she gave.
- 123 Debt Solutions provided Miss T with all the information necessary to make an informed decision. She was happy to go ahead with the debt management plan.
- At that time 123 Debt Solutions wasn't obliged to tell Miss T of other similar free services.
- He won't be asking 123 Debt Solutions to do anything.

Miss T's representative doesn't agree and has asked for an ombudsman review. In summary it says there was no way Miss T could've reached the decision 123 Debt Solutions says she did. Miss T wouldn't have turned down bankruptcy as the plan would've involved payments for longer than bankruptcy.

The adjudicator responded that 123 Debt Solutions' system notes do refer to bankruptcy being discussed with her. And they explain why it wasn't agreed to go down that route. Miss T was given enough information to enable her to make an informed decision.

## **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 Miss T as is suggested or that she wasn't reasonably advised of her options or what it entailed. I've also seen nothing to suggest the plan wasn't administered appropriately.

Although I recognise Miss T's representative's frustration, taking everything into account I don't think I can fairly or reasonably require 123 Debt Solutions to make a payment of compensation to Miss T as it'd 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 Miss T to accept or reject my decision before 30 January 2017.

Stephen Cooper  
**ombudsman**