

complaint

Mrs C and her representative are unhappy about the advice she was given by Debt Advisory Line Limited (“DAL”) to enter into a debt management plan. She says it was mis-sold to her and wasn’t the appropriate solution for her situation. She’d have been better off becoming bankrupt. She wants compensation and to be put back in the position she would’ve been in if she hadn’t entered into the plan. There were also other free alternative services which she wasn’t told about.

background

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

- DAL can’t provide a recording of its initial call with Mrs C. But it says its processes would’ve included a full review and it would’ve discussed all the available options. Its welcome pack would also have explained how the plan worked. Mrs C received that and its notes show she was happy with how the plan progressed. It also carried out annual reviews and it made her aware of other options including bankruptcy.
- Mrs C was given detailed information from the beginning about the plan. And by signing the letter of authority she was happy to proceed. The letters provided show DAL made her aware of other options during the plan, including bankruptcy. If Mrs C had felt this would’ve been better she could’ve chosen to end the plan early. But the notes suggest she was happy with the plan. There’s also nothing to show Mrs C would’ve preferred the more formal bankruptcy option. She also used her redundancy money to settle her debts.
- The debt management plan was suitable for Mrs C and she was told of her other options. DAL acted reasonably in managing the plan.

Mrs C’s representative doesn’t agree and has asked for an ombudsman review. In summary it says Miss T wasn’t told, as she should’ve been, of the free options available to her. Bankruptcy also wasn’t discussed. Mrs C’s aim was to be debt free as soon as possible. DAL didn’t fulfil its obligations.

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.

Mrs C’s representative has provided detailed submissions to support her complaint. I’ve read and considered them all. But my findings are expressed in considerably less detail. And they focus on what I think are the main issues.

Taking everything into account 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 Mrs C as is suggested or that she wasn't reasonably advised of her options or what it entailed.

Although I recognise Mrs C's frustration, I don't think I can fairly or reasonably require DAL to make a payment of compensation as she'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 Mrs C to accept or reject my decision before 9 September 2016.

Stephen Cooper
ombudsman