

## **complaint**

Ms E complains about the debt management advice she received from GW Financial Solutions (UK) Limited.

## **background**

Ms E approached GW in 2010 for advice on debt management. She agreed to enter into an arrangement with it to allow her to make monthly payments to her creditors. She was charged a fee by GW for doing so. Ms E found it difficult to make the monthly payments. She agreed reduced payments for a three month period in September 2011.

GW agreed a lower monthly payment in early 2012 as Ms E was finding it difficult to make the agreed payment to her creditors. GW's management fee should also have been reduced at this time, but was not due to an oversight.

Ms E cancelled the debt management plan in early 2013.

Ms E later complained to GW. She was unhappy that it had not advised her that she could have obtained debt advice from a charity at no charge. Further Ms E said she should have been advised about a debt relief order (DRO). Ms E added that GW had not acted in her best interests, and she was not aware of the management fee.

GW explained that it did not have to advise Ms E about possible free advice she could receive. It said it had made its fees clear to her. GW said Ms E was not eligible for a DRO as her disposable income was too high. GW apologised for overcharging Ms E for fees and offered to refund this sum.

Ms E was not happy with GW's response and brought a complaint to us to consider.

The adjudicator did not recommend that the complaint should be upheld. She did not consider that GW had to tell Ms E that there were charities who could give her free debt advice. The adjudicator was satisfied that Ms E was not eligible for a DRO when she first consulted GW. The adjudicator noted that GW had offered to refund the overpayment of management fees, and an additional £102. This totals £232.

Ms E is not happy to accept the adjudicator's recommendation.

## **my findings**

I have considered all the available evidence and arguments to decide what is fair and reasonable in the circumstances of this complaint.

I am very sorry for the financial and health problems that Ms E is experiencing. I appreciate that my findings will disappoint her.

## **DRO**

Ms E is unhappy that GW did not tell her that she could apply for a DRO. I am satisfied that she was not eligible for one based on the financial information she had provided to GW. This confirmed that her disposable monthly income was more than £50. Because of this, Ms E did not meet the necessary criteria for a DRO. I note that she is now on such an arrangement.

However I am satisfied that GW acted fairly when a DRO was not suggested due to the information it had on Ms E's finances at the time it advised her.

#### free advice

As the adjudicator has explained, GW was not under any obligation to advise Ms E that she could receive free advice from a charity on her financial situation. In light of this, I do not find that it acted unreasonably when this option was not discussed with her.

#### fees

The monthly fee was clearly set out in the information given to Ms E by GW when she agreed to enter into the debt management plan. As such, I find that she was aware of the monthly fee, and agreed that GW could add this to the sum Ms E was paying to her creditors.

GW agrees that it overcharged Ms E when she reduced her monthly payments. It has agreed to refund this sum (£130), and to pay her an additional £102. This is a total of £232. I consider this to be fair.

#### **my final decision**

My decision is that GW Financial Solutions (UK) Limited should pay Ms E £232 as it has agreed to do.

Rosemary Lloyd  
**ombudsman**