

complaint

Ms D complains Clear View Finance Limited agreed to help her reduce her debts but hasn't done so.

background

In 2012 Ms D agreed that Clear View would help her reduce her debts. Ms D says she was told her plan would last less than three years.

In 2015 Ms D complained to Clear View and to us that her plan still hadn't come to an end. She says she found out that very little of her debt had also been paid off. Ms D complained about this too.

Our adjudicator recommended that this complaint be upheld as he didn't feel Clear View had done what Ms D had expected. It also hadn't explained what had happened to her payments. I was asked to review this complaint as Clear View didn't reply.

my findings

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

I can see that Clear View initially discussed a debt management plan with Ms D and then suggested a debt reduction plan. Clear View told Ms D that this was a quicker and cheaper way to significantly reduce her debt. Ms D agreed to a debt reduction plan on this basis. Clear View also agreed to keep her up to date with what was happening with her debt.

Clear View has done very little to reduce Ms D's debts. In fact, over the three years that the debt reduction plan has been in place, Clear View has reduced Ms D's debts by under £150 despite receiving almost £3,000 from her. It didn't keep her up to date either. In the meantime, Clear View appears to have charged Ms D a substantial amount in fees.

Given the above, I agree with our adjudicator that Clear View should refund the payments it has received from Ms D less any amounts paid to her creditors (which I understand to be under £150) and that it should pay interest on those refunds. I also agree that it should pay Ms D compensation for the distress it has caused – an award of £250 is appropriate.

my final decision

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

- to refund all of the payments it has received from Ms D since her debt reduction scheme began less any payments it has made to her creditors;
- 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 Ms D £250 for the distress it has caused her.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms D to accept or reject my decision before 19 October 2015.

Nicolas Atkinson
ombudsman