

complaint

Mr B complains that he was mis-advised by Moneyplus Group Limited to enter an Individual Voluntary Arrangement (IVA). He says its cost him much more than staying on a debt management plan. He wants the IVA cancelled and a refund of the charges applied.

background

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

- In January 2013 Moneyplus carried out a consultation call with Mr B. She's listened to it and the advisor goes through Mr B's income and expenditure. And she explained the options available to him. She refers him to all the information on its website and then explains the seven options available. These included debt management plans, debt relief order, consolidation loans, county court administration order, bankruptcy and IVA.
- Mr B said bankruptcy wasn't an option as he risked losing his property. He was specifically asked which option he'd like to do. He said an IVA over six years was the best option. And a debt management plan would take too long to pay off the debts.
- Moneyplus proposed an IVA but said if Mr B moved and sold his property it would look at a full and final settlement to complete the IVA sooner.
- The IVA costs and other potential costs were set out in the documentation provided to Mr B. He was told what the IVA entailed and timescales. The amounts he'd paid under his debt management plan were also set out.
- She can't agree Mr B was mis-advised. The IVA programme was clearly explained as were the costs and time frames. He was also advised of his other options. So, she won't be asking Moneyplus to cancel the IVA or refund any charges.

Mr B doesn't agree. He says he wasn't told the IVA wouldn't be good for him and the debt management plan would be better. He says Moneyplus has a charging order over his property and he doesn't understand why. Mr B's asked for an ombudsman review.

Moneyplus has confirmed it doesn't have a charging order on his property. But it does have a signed form which means there's a restriction on the sale of the property. This would make it aware if the property was sold or another party tried to put a charge on it during the IVA.

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 agree with the adjudicator's conclusions for the same reasons. I don't think Moneyplus mis-advised Mr B as he suggests.

Although I recognise Mr B's frustration 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 B to accept or reject my decision before 1 December 2016.

Stephen Cooper
ombudsman