

complaint

Mr G complains that his debt management plan with Gregory Pennington Limited should've ended in 2012. But instead, two debts are still outstanding. Mr G wants Gregory Pennington to repay the remaining debts or arrange for them to be written off.

background

Mr G entered in to a debt management plan in 2009. Gregory Pennington collected a monthly sum. Mr G expected his debts to be settled by 2012. But the debt to one of his creditors, H a limited company, is shown as partially satisfied on Mr G's credit file. And another creditor, B, a bank, says Mr G still owes it money.

Before this service became involved, Gregory Pennington paid Mr G £70 for its delay in dealing with his complaint. Gregory Pennington has offered a further £250 to apologise for not registering Mr G's complaint in 2012. But it says that it hasn't done anything wrong in relation to handling the debt management plan.

Our adjudicator upheld Mr G's complaint in part. She considered the bank's offer to pay a further £250 was fair and reasonable.

Mr G is unhappy with our conclusions. He either wants Gregory Pennington to repay the outstanding debts or persuade his remaining creditors to write the balances off.

my findings

I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint. In cases like this, where the evidence is inconclusive, I reach my decision on the balance of probabilities. That means I'll look at all the available evidence and decide what I think is most likely to have happened.

I realise that it is likely to disappoint Mr G but I agree with the conclusions of our adjudicator.

debt to H, a limited company

Gregory Pennington has given us evidence that it paid H the agreed figure in 2012. But it appears that the remaining balance on Mr G's account with H was actually higher. I can't find that Gregory Pennington did anything wrong when it settled the debt in 2012. It understood the debt was being repaid in full.

I can see that Gregory Pennington didn't follow up Mr G's complaint about the entry on his credit file. I'm satisfied Gregory Pennington's offer to pay a further £250 to include the delay in raising this aspect of Mr G's complaint with H is fair and reasonable.

debt to B, a bank

Mr G is unhappy that he still owes money to B. There appear to be conflicting views over whether B or Gregory Pennington made a mistake about the outstanding balance. I haven't made a decision about which business is to blame. But on the evidence before me, I'm not persuaded that Gregory Pennington made a mistake when it agreed the repayment figure.

In 2015, B agreed to write off half of the remaining balance. This would seem to indicate that it had made a mistake along the way. As the money remains due to be paid, I can't reasonably require Gregory Pennington to repay the balance on Mr G's behalf. I'm satisfied that Gregory Pennington has responded reasonably by offering to negotiate a repayment plan with B at no cost to Mr G. I leave it with Mr G to decide whether to accept this offer.

Again, Gregory Pennington acknowledges that it should've dealt with Mr G's complaint about the remaining debt to B when he raised it in 2012. The offer to pay £250 includes compensation for this delay.

I can appreciate that Mr G doesn't want to have to deal with debts that he thought should've been settled in 2012. But I can't reasonably find that Gregory Pennington made a mistake in its handling of the debt management plan. I agree that it should've dealt with Mr G's complaints in 2012. But I'm satisfied Gregory Pennington's offer to pay £250 in addition to the £70 already paid, is fair and in line with the kind of award this service would usually make.

Finally, our adjudicator has already told Mr G that if he wants to bring a complaint about B to this service, he should first contact the business. I leave it with Mr G to decide whether he wants to do this.

my final decision

My decision is that I uphold this complaint in part and direct Gregory Pennington Limited to pay Mr G £250 in full and final settlement. For the avoidance of doubt, this is in addition to the £70 it has already paid.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr G to accept or reject my decision before 16 November 2015.

Gemma Bowen
ombudsman