

complaint

Mr V has complained about a debt management plan he entered into with DFH Limited.

background

Mr V entered into a debt management plan with DFH in 2008. He has explained that he was very unhappy with the plan, for the following reasons.

- He did not want a plan with DFH, and did not understand that this is what he was entering into.
- DFH did not provide him with expert advice, when it had said it would.
- He was told not to have any contact with the creditors, but this resulted in him defaulting as the plan took so long to set up.
- He was not consulted as to what his payments would be under the plan.
- DFH should have ensured that his creditors froze interest and charges on his accounts, but this did not happen.
- He was not automatically sent statements of his account.
- DFH did not respond to his letters.
- He wanted to take back control of his debts and deal with his creditors directly, but DFH prevented him from doing this.

The adjudicator did not recommend that the complaint should be upheld.

Mr V disagreed with the adjudicator's recommendation. In summary, he said he had never approached DFH. He also added that he had been told he would be debt-free within five years, but this did not happen.

The complaint has now been passed to me for my final decision.

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 have addressed the issues that I consider to be key to the complaint.

As regards whether Mr V was told he would be debt-free in five years, although I accept that he may have believed this to be the case, I have not seen any evidence that persuades me that this is what he was told. It is not in the welcome pack or acceptance letter that he was sent. Nor is it on DFH's current website. Unfortunately, I am not able to see what the website said when Mr V entered into the plan, but I am satisfied from the content of the documents provided to Mr V that, on balance, he was not told he would be debt-free in five years.

I turn now to the other aspects of Mr V's complaint. I know that Mr V feels strongly that he did not approach DFH. I am not persuaded that it matters who approached whom. This is because I am satisfied that Mr V did enter into the debt management plan, so did want to do so. He completed an application form, made payments for four years, and agreed a fee.

I am also satisfied that DFH provided Mr V with specialist advice, by working out an affordable payment plan, and making sure that he was aware of how the DMP would work.

DFH told Mr V to let it know if any correspondence from his creditors, but I cannot see from the evidence that I have that he did so. In any event, it set up the plan promptly, and Mr V has not provided any evidence that his credit file was affected in the interim period.

I can see from DFH's system notes that it updated Mr V each month about how much his creditors were receiving. I am therefore satisfied that he was aware of his account status. Nor have I seen evidence that he did not receive the updates, because if he had concerns I would have expected him to contact DFH to discuss them

In the welcome letter that Mr V received when he entered into the plan, DFH informed him it could not guarantee his accounts would be frozen, so I am satisfied it did not mislead Mr V in this respect.

I am satisfied that DFH provided Mr V with appropriate customer service. Although it did not respond to his letter of 22 November 2011, the evidence indicates it may not have received it. I also think it relevant that Mr V did not chase up a response, and continued with the plan. I am unaware of any other correspondence that Mr V feels was ignored.

I can see that when Mr V asked for his plan to be stopped, DFH complied with this request promptly. This meant Mr V was in a position to deal directly with his creditors outside of the plan. I have seen no evidence that he was prevented from doing so.

my final decision

For the reasons given above, it is my final decision not to uphold this complaint. I make no award against DFH Limited.

Under the rules of the Financial Ombudsman Service, I am required to ask Mr V to accept or reject my decision before 10 July 2015.

Elspeth Wood
ombudsman