

## **complaint**

Mr G complains that RG Debt Management Services Limited (trading as Debt Line) mis-sold him a Debt Management Plan (DMP).

## **background**

When Mr G was struggling to repay debts of over £5,000, he agreed to pay £100 per month via a DMP with Debt Line from September 2010. Mr G's representative said he should have been told about a Debt Relief Order (DRO) as he met all the criteria. He added that Mr G was mis-sold the DMP as he wouldn't have chosen to proceed with it had he known about other options, including fee-free solutions. Debt Line said the fees were made clear to Mr G and that he didn't qualify for a DRO as his disposable income was over £50 per month.

Our adjudicator did not recommend the complaint should be upheld. He was satisfied the fees were made clear to Mr G in the agreement which he signed. He also found that Debt Line's income and expenditure showed Mr G had a disposable income of £100 per month, so did not qualify for a DRO.

Mr G's representative responded to say, in summary, that Debt Line's income and expenditure was printed on a form and not completed by Mr G. He adds that key items of expenditure weren't included and considered it likely the figures were made to fit the industry standard of £100 minimum payment. He concluded that Mr G's best interests had not been taken into account as he should have been directed to a DRO as a far cheaper option.

## **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've seen the income and expenditure analysis provided by Debt Line, and I acknowledge Mr G's representative says certain expenditure items are missing. However, Mr G accepted the proposed DMP and, indeed, maintained £100 monthly payments until 2013 when he moved to an alternative DMP provider. So I can't conclude the income and expenditure analysis was wrong and, with disposable income over £50 per month, Mr G didn't qualify for a DRO.

It's possible Mr G could have found a DMP with lower fees, but Debt Line was not obliged to provide specific guidance on alternatives at the time. In summary, I find Debt Line offered a suitable solution to Mr G and he made an informed decision to accept it. As Mr G made payments of £100 per month for over two years, I cannot conclude his disposable income was less than £50 per month, so I can't say Debt Line was wrong not to suggest a DRO.

## **my final decision**

My decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr G to accept or reject my decision before 30 August 2016.

Amanda Williams  
**ombudsman**