

## **complaint**

Ms S complains that Butler-Do Ltd (while trading as Kensington Financial Management Consultants Ltd) mis-sold a debt management plan (DMP) to her.

## **background**

Ms S took the DMP in 2010. She says that she should have been told that similar services could be obtained free. Also that she wasn't advised about the full range of possible approaches to her debts and that the DMP wasn't reviewed as it should have been.

Our adjudicator did not recommend that the complaint was upheld. She said that in 2010 Kensington Financial hadn't been obliged to tell Ms S about free services. Ms S could have looked at other options before approaching Kensington Financial. She had seen evidence that the DMP had been reviewed in November 2010, and Ms S had cancelled the plan before another review was due.

Ms S disagreed (through a representative). She argued that although guidance at that time did not specify that consumers must be advised of free services, it was a misleading omission not to do so. She also referred to a compliance review in 2010, which she said showed that the Office of Fair Trading (OFT) expected information to be given about free services. Kensington Financial said it had nothing to add.

## **my findings**

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

Since 2014 debt management companies have been under a duty to tell consumers that similar free services are available. But Kensington Financial's dealings with Ms S were in 2010 and 2011.

The 2010 review Ms S quoted simply refers to having found that some companies were not volunteering information about free services – it does not impose any requirement that that must happen in future. There isn't any general requirement on businesses to tell consumers about other organisations offering similar services, and I can't see that it was misleading not to do so. It wouldn't have been necessary to impose the obligation regarding debt management in 2014 if that obligation had already existed.

From the information provided by Kensington Financial it seems to have made the terms of the DMP reasonably clear and there is nothing to indicate that it was fundamentally inappropriate for Ms S's circumstances, when she had multiple debts totally over £17,000.

As the adjudicator said, we have seen evidence that the plan was reviewed about six months after it started and wasn't due for another review before Ms S cancelled it.

Overall I have not seen grounds to think Kensington Financial mis-sold the DMP or failed to manage it properly.

## **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 Ms S to accept or reject my decision before 31 October 2016.

Hilary Bainbridge  
**ombudsman**