

## **complaint**

Mr G complains that Harrington Brooks (Accountants) Limited sold him a debt management plan which wasn't appropriate for him and it didn't manage the plan properly. He says he would have been better off going bankrupt.

He brings this complaint through his representatives – D – but for ease, I will refer to all submissions as if made by Mr G.

## **background**

Mr G started his debt management plan (DMP) in January 2012. He says he was given inappropriate advice and that the plan he was placed on was not the best for him. He also says he was not told that he could get debt free advice elsewhere.

Mr G further says that had Harrington Brooks suggested a Debt Relief Order, he would have opted for this and would have been debt free sooner.

When he complained to Harrington Brooks, it partially upheld his complaint. Whilst it maintained the initial advice has been correct, it did accept that it had failed to appropriately review Mr G's plan and had not offered a suitable alternative when Mr G's disposable income had fallen below a certain level.

To put things right, it offered to repay all of the monthly management fees Mr G had paid since his income had fallen. This amount came to just under £1100.

But Mr G was not happy with this proposition. He wanted his current debt to be paid off, a full refund of the payments made towards his DMP and statutory interest of 8%. So, he brought his complaint to this service where our adjudicator looked into matters for him.

Our adjudicator did not think she could ask Harrington Brooks to do anymore. She thought it had already offered a fair solution so Mr G asked for an ombudsman's decision.

## **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 have to say that broadly speaking, I agree with the adjudicator here and I'm not sure there is much more to add to what she has already said.

In the initial call between Mr G and Harrington Brooks, it is explained to him that his creditors may well be applying for default notices and that this could be reported to the credit reference agencies. Mr G accepts this. He also accepts that the start-up fee of £200 is affordable to him. So I am satisfied that the appropriate advice was given at the beginning.

In relation to the free debt advice element of this complaint, as Mr G will be aware, a DMP provider was under no obligation before 1<sup>st</sup> April 2014 to refer a customer to a free debt advice alternative. So, it follows that I do not think Harrington Brooks acted unfairly in this regard.

However, Harrington Brooks does accept, and rightfully so, that it did not conduct the relevant reviews and when Mr G declared a disposable income which meant a DRO was perhaps the appropriate solution, it failed to act.

I think the offer it has made is a fair one though. Mr G had the benefit of the DMP whilst it was in place so I do not think it would be fair to ask Harrington Brooks to repay all of that money.

I can only fairly ask it to put things right from when I think it should have acted differently.

On this basis, the current offer is a fair and reasonable one.

**my final decision**

My final 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 December 2016.

Shazia Ahmed  
**ombudsman**