

## **complaint**

Miss K, represented by a claims management company (CMC), complains that Harrington Brooks (Accountants) Limited (the business) did not tell her about the free debt services available when she entered into her debt management plan (DMP).

## **background**

Miss K entered into a DMP in 2010.

The CMC says that although the Office of Fair Trading's Debt Management Guidance 2008 did not specify that a customer must be advised of the free sector, other relevant regulations at that time meant that business should have informed Miss K of the free debt services available.

The CMC also says that new regulations were introduced while Miss K's DMP was in place and that these required information about the free sector to be provided.

The business says that Miss K originally set up the DMP with another company in April 2010. The DMP was later passed to the business. It says it cannot comment on the information provided at the set up as it was not involved.

The business says a welcome call was carried out in July 2010 to discuss how the DMP would work going forward. It says it confirmed with Miss K that she had signed the letter of authority agreeing to the terms and conditions. It says the terms and conditions included information about the fees. It says that Miss K also signed a letter of authority in September 2010 with it and the terms and conditions were included. It says these set out the fees.

The business says that there have been several reviews of Miss K's DMP and that Miss K has always wanted to continue with her DMP.

The adjudicator did not uphold this complaint. He said that under the relevant guidance in place when Miss K entered into her DMP, the business was not required to inform her of the free debt services.

The adjudicator noted that in the welcome pack provided to Miss K by the business it said that Miss K did not need to use the business to help solve her debt problems. He said that while this does not mention the free debt services it should have made Miss K aware there were other options available.

The CMC said that the business was required to inform Miss K of the free debt services both at the outset of the DMP and through its duration. It said that the DMP was still active in April 2014 when regulations came in requiring the business to inform its customers in its first communication of the free debt services available.

## **my findings**

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

Miss K set up the plan with in 2010 with a different company. I cannot hold the business responsible for the information provided at that time. The business took over Miss K's DMP later in 2010.

I have looked at the information provided by the business and this clearly sets out the features of the DMP including the fees. The information shows the payments that have been made and information about reviews. Based on what I have seen I find nothing to suggest that the business has done anything wrong in the management of Miss K's DMP.

The outstanding issue relates to whether the business was required to inform Miss K of the free debt services available. Miss K set up her DMP with another company and the business took over the DMP later in 2010. I note that the business has said that it communicated with Miss K in March 2014 about its online portal. It says this communication referred to its website which signposts the website with information about free debt services.

At the time the business took over Miss K's DMP the guidance in place did not require the business to inform Miss K of the free debt services available. I understand the comments the CMC has made in regard to the other regulations in place at the time and the more recent regulations that were introduced. However, this DMP was taken over by the business in 2010 and I do not find based on the information provided that the business has done anything wrong.

I also note that Miss K has continued with her DMP and so I assume she is happy to continue with the business.

### **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 Miss K to accept or reject my decision before 28 December 2016.

Jane Archer  
**ombudsman**