



**IMMEDIATE: 16.06.09**

**MEDIA INFORMATION**

## **Mortgage advisers declared in default paving the way for compensation for consumers in Lancashire and South Yorkshire**

Consumers could claim up to £48,000 if they have lost money after dealing with one of two companies providing mortgage advice in Lancashire and South Yorkshire. The Financial Services Compensation Scheme (FSCS) has declared the two mortgage advice firms in Bury and Barnsley in default and is paying claims against them.

Declaring the firms in default means they are unable or likely to be unable to pay claims against them and triggers FSCS protection. The two firms are:

- **The Debt Advisor Group Plc (formerly Compass Finance Group Plc)**, SECOND FLOOR, WARWICK HOUSE, HOLLING BROOK WAY, BURY, LANCASHIRE, BL9 8RR
- **Liberty Financial Consultants Limited (formerly Liberty Compliance Network Limited)**, 1 STATION ROAD, ROYSTON, BARNSELY, SOUTH YORKSHIRE, S71 4EW

Loretta Minghella, Chief Executive says: "The FSCS's role is to help people who have lost money after doing business with an authorised firm if that firm is unable or likely to be unable to meet claims made against it. We have started paying claims against these firms and are here to help those who think they may have a claim. People who believe they may have a claim against the firms should contact the FSCS on 020 7892 7300, or by email at [enquiries@fscs.org.uk](mailto:enquiries@fscs.org.uk)."

Further information about the FSCS's work and how to claim is available on its website at [www.fscs.org.uk/consumer](http://www.fscs.org.uk/consumer).

**For more information about FSCS see Notes to Editors section or visit [www.fscs.org.uk](http://www.fscs.org.uk)**

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## **Notes to Editors:**

### **1. About FSCS**

The Financial Services Compensation Scheme (FSCS) is the UK's statutory compensation scheme for customers of authorised financial services firms. This means that the FSCS can pay compensation if a firm is unable, or likely to be unable, to pay claims against it. FSCS is an independent body, set up under the Financial Services and Markets Act 2000 (FSMA). Our service is free to consumers.

### **2. UK's statutory Compensation scheme**

As the UK's statutory compensation scheme, the FSCS can only pay for financial loss where a firm is unable to meet claims. The compensation limit for home finance advice and arranging is up to £48,000 per person (100% of the first £30,000 and 90% of the next £20,000).

From the 1 January 2010 the compensation limit for home finance advice and arranging will be 100% of the first £50,000.

### **3. Declaring a firm in default**

Before the FSCS can pay compensation it must be satisfied that a firm is unable to meet claims. It describes this as being 'in default'. The Scheme will declare a firm in default if:

- it has received at least one claim; and
- it is satisfied that the firm is unable (or likely to be unable) to pay claims against it.

The FSCS is required to do this before we can pay compensation to eligible claimants.

Declaring a firm in default allows consumers who believe they may have lost money as a result of their dealings with that firm to apply to us for compensation.

### **4. Authorised firms**

Dealing with an FSA authorised firm gives consumers access to the Financial Ombudsman Service (FOS) and the FSCS. Consumers can check that the firm they are dealing with is authorised by contacting the FSA's Consumer Helpline on 0845 606 1234.