

## **The complaint**

Mrs H and Mr H complain that Consumer Compensation Bureau Ltd trading as Claiming Made Simple (CMS) are asking for a fee for a payment protection insurance (PPI) claim they've already paid to another claims management company (CMC).

## **What happened**

Mrs H and Mr H said they'd instructed a CMC, I'll call "F" to pursue a mis-sold PPI claim on their behalf. In October 2020 their claim was successful, and they were awarded compensation by their lender. Shortly after "F" invoiced them to pay their success fee which Mrs H and Mr H said they paid. But in the same month Mrs H and Mr H were asked by CMS to pay them a success fee for the same PPI claim. Mrs H and Mr H said they'd only worked with "F", and their lender had confirmed they'd only accepted "F" as being authorised by them. Mrs H and Mr H also said that their lender told them that they'd informed CMS in September 2020 that they were dealing with another CMC. They complained to CMS.

Mrs H and Mr H said CMS continued to ask them to pay their fee and that they'd be taken to court for collection of non-payment. They referred their complaint to us.

CMC didn't respond to our investigator's requests for information. He said Mrs H and Mr H had shown evidence from their lender that they'd dealt with the other CMC in deciding Mrs H and Mr H's mis-sold PPI claim. He said as the claim was successful because of the action of the other CMC it wasn't fair or reasonable for CMS to ask Mrs H and Mr H to pay their fee. As their fee wasn't justified, he said CMS should waive their fee.

CMS didn't respond so Mrs H and Mr H's complaint has been referred to an ombudsman for a decision.

## **What I've decided – and why**

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

Having done so I'm upholding this complaint. I'll explain why.

Where there is a different version of events as is the case here, I will reach my decision based on what I think most likely happened. The crux of Mrs H and Mr H's complaint is that both CMC's "F" and CMS say it was they who'd been authorised to make a mis-sold PPI claim on behalf of Mrs H and Mr H. And that the success of the claim was because of their submission. So, I need to decide which CMC I think initiated the successful mis-sold PPI claim.

We're an informal dispute resolution service, acting as an alternative to the courts. This means we're impartial and look at both sides of the story. We don't place more weight on one side's story because of who they are. We ask questions and weigh up all the information we're given. It's unfortunate that CMS haven't responded to our requests for information so the evidence I've considered is limited to that provided by Mrs H and Mr H and their lender.

The Financial Conduct Authority (FCA) deemed 29 August 2019 as the deadline for mis-sold PPI claims to be made. Leading up to the August PPI deadline it was expected that a high volume of mis-sold PPI claims would be received. So, for some lenders the submission of a letter of authority (LoA) was accepted as a claim for mis-sold PPI and no further information was needed for the lender to investigate the mis-sold PPI claim. But for others a letter of complaint was required with supporting information such as a PPI questionnaire. Any claim received after the 29 August 2019 deadline wouldn't be accepted by the lender(s) unless there were exceptional circumstances for doing so.

The agreement Mrs H and Mr H would have had with a CMC they instructed would have been on a "No win No fee" basis. This means the CMC charged a percentage success fee, not a fee based upon the amount of work they did. This meant any work done on any unsuccessful claims would be done for free. Where a claim was successful, the CMC's fee maybe more or less than the value of the work they did. This is the risk taken by all parties in this type of agreement.

Mrs H and Mr H has shown they signed a LoA with "F" and completed a PPI questionnaire. I can also see that their lender told them their PPI claim was successful in October 2020. The CMC referenced on this notification was "F", not CMS. And I can see that following this notification Mrs H and Mr H paid "F" their fee for the successful claim.

But I have also seen that the lender on the same day told CMS that Mrs H and Mr H's mis-sold PPI claim was successful. So, I think Mrs H and Mr H had authorised two CMC's to act for them.

The lender has confirmed to us that the mis-sold PPI claim was set up following a request from "F". And that in September 2020 they told CMS following an enquiry from them that the claim had been resolved by another CMC prior to their contact. But acknowledged due to the volume of information they'd received following the deadline for making such claims a final response had been inadvertently sent to CMS.

I haven't seen any evidence to show that CMS submitted Mrs H and Mr H's mis-sold PPI claim to their lender before "F". But Mrs H and Mr H's lender has clearly noted "F"'s reference in their final response letter to Mrs H and Mr H. And that it was their submission that meant the mis-sold PPI claim was successful. I'm also persuaded by Mrs H and Mr H's testimony that they'd only dealt with "F" during the course of their mis-sold PPI claim being investigated.

So, I'm satisfied the lender accepted "F" as being authorised by Mrs H and Mr H to act for them in their mis-sold PPI claim. As I think Mrs H and Mr H's claim was successful because of the submission made by "F". I don't think CMS can justify their fee as the claim wasn't successful because of what they did.

So, I don't think its fair or reasonable for CMS to ask Mrs H and Mr H to pay their fee or any subsequent charges that they've added to Mrs H and Mr H's account.

**My final decision**

I uphold this complaint. And ask Consumer Compensation Bureau Ltd trading as Claiming Made Simple to waive any and all fees for Mrs H and Mr H's mis-sold PPI claim.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs H and Mr H to accept or reject my decision before 7 February 2023.

Anne Scarr  
**Ombudsman**