

## **The complaint**

Mrs H complains that Quickly Finance Limited trading as Fast Track Reclaim (FTR) have asked her to pay their fee for a successful mis-sold payment protection insurance (PPI) claim she'd had several years before.

## **What happened**

In April 2019 Mrs H instructed FTR to act on her behalf to check whether she'd been mis-sold PPI. In August 2022 Mrs H said she received notification from FTR that a claim had been successful and so she returned the acceptance form to them. Mrs H said FTR asked her to pay their fee for the successful claim, and she found that this was for a successful mis-sold PPI claim she'd made in 2019 with a lender I'll call "H". Mrs H complained to FTR as she said it was unfair to ask for a fee after the amount of time that had passed.

FTR said they weren't told by "H" until July 2022 that Mrs H's claim was successful. They said as soon as they were aware of the successful claim they asked Mrs H to pay their fee.

Mrs H wasn't happy with FTR's response and referred her complaint to us.

Our investigator said that FTR had submitted Mrs H's claim to "H" and had told her that PPI had been found. She said as the claim was successful FTR were justified in asking for their fee.

Mrs H didn't agree she said she'd had to deal direct with "H" to establish what had happened. She asked for an ombudsman to consider her complaint.

I issued a provisional decision in early July 2023 that said:

## **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 currently minded to uphold this complaint, I'll explain why.*

*I can see from FTR's records that Mrs H, in April 2019, signed a letter of authority (LoA) instructing them to check whether she'd been mis-sold PPI. And in early July 2019 FTR told Mrs H that a PPI policy had been found on a loan she'd with "H", they asked Mrs H to sign another LoA and to complete a PPI questionnaire, both of which I can see she did. FTR*

*submitted the PPI questionnaire and a letter of complaint to "H" on 10 July 2019.*

*The agreement Mrs H would have had with FTR was on a "No win No fee" basis. This means FTR 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, FTR's fee maybe more or less than the value of the work*

*they actually did. This is the risk taken by all parties in this type of agreement.*

*FTR's terms and conditions say:*

*"Once PPI is identified, the Free PPI Check Period ends and You authorise FTR to continue to provide You with the Claims Service"*

*And the terms and conditions go on to give examples of the fee they would charge for a successful claim using their claims service.*

*"H" acknowledged the receipt of the letter of complaint on 19 July 2019. I can see towards the end of July 2019 "H" told both Mrs H and FTR about two accounts Mrs H had with them. "H" accepted PPI had been mis-sold for account ending \*5908 with a gross settlement of £1,190. For account ending \*4209 no PPI policy had been found. So I'm satisfied that FTR submitted Mrs H's mis-sold PPI claims, and for the claim that was successful \*5908 FTR's fee was justified.*

*FTR said "H" didn't send them a copy of the final decision letter until July 2022 but I can see the letter itself is dated 27 July 2019 and was correctly addressed to them. So, I've no reason to doubt "H" sent the final decision letter to FTR at the time, and I can't hold Mrs H responsible for FTR not receiving the final decision letter.*

*From FTR's notes they updated Mrs H in August 2019 about timescales for the resolution of her PPI claim. And I can see that Mrs H called FTR mid-September 2019 telling them she'd been told the amount of the settlement offer. In the notes Mrs H is advised to wait for the paperwork and once signed and returned "H" would send her offer payment usually within 28 days. The note also says: "Client will settle fees once refund has been received."*

*But I can't see that FTR asked "H" for any details about the settlement offer until 2022 when they submitted a request for information. In July 2022 "H" sent a copy of the final decision letter to FTR. So, I'm satisfied FTR were aware that an offer of compensation had been made in September 2019 even if they hadn't received the final decision letter from "H". And Mrs H knew she needed to pay the fee. But I can't see any records between September 2019 and July 2022 showing FTR asked "H" for an update on the status of Mrs H's offer or any updates or requests for information from Mrs H about whether she'd received her payment or not.*

*The Claims Management Code of Business (CMCOB) is the relevant guidance. CMCOB 6.1.5R says:*

*"A firm must notify the customer of: (b) any material development in the progress of the customer's claim; "*

*CMCOB 6.1.9 (1) says:*

*"A firm must provide each customer with an update on the progress of the claim at least once every six months, in a durable medium."*

*And CMCOB 6.1.10 (2)*

*"The firm should give updates under CMCOB 6.1.9R until such time as the claim is finally determined or settled, or is withdrawn or discontinued."*

*But I can't see that FTR did this. It wasn't until 2022 that they checked the status of Mrs H's claim. And it wasn't until August 2022 after "H" sent a copy of the final decision letter to them*

*that they got in touch with Mrs H asking her for their fee, over three years after “H” resolved the mis-sold PPI claim.*

*While I’m satisfied FTR can ask Mrs H to pay their fee for her successful claim, I think FTR had been aware Mrs H’s claim was successful as early as September 2019. And by asking Mrs H to pay this fee some three years after her claim was resolved has placed a financial burden on her causing distress and inconvenience. To compensate Mrs H for the distress and inconvenience caused by FTR’s poor customer service I intend to ask FTR to pay Mrs H £100.*

### **Responses to my provisional decision**

Both parties accepted my provisional decision and didn’t ask for any further representations to be considered.

### **My final decision**

I uphold this complaint. And ask Quickly Finance Ltd trading as Fast Track Reclaim to pay Mrs H £100 for the distress and inconvenience caused to her.

Under the rules of the Financial Ombudsman Service, I’m required to ask Mrs H to accept or reject my decision before 25 August 2023.

Anne Scarr  
**Ombudsman**