

## **complaint**

Miss C instructed Allay Claims Ltd to make a claim for mis-sold PPI on her behalf. The claim was successful and Miss C paid Allay's fees.

## **background**

Miss C has complained that Allay didn't cancel her claim when she asked them to. She had been seriously ill and, when she was able to, she dealt with her post – including Allay's bill which she paid. Miss C feels that she shouldn't have done this, and believes Allay ignored her cancellation request so they could charge their fee. She wants the fee she paid to be refunded to her.

This complaint was originally accepted for investigation by the Legal Ombudsman, but was transferred to the Claims Management Ombudsman (a Financial Ombudsman Service) as part of the change in the regulation of claims management companies. The investigation was completed by a Claims Management Ombudsman investigator who found that Allay had provided a reasonable service.

Miss C didn't agree with the investigator. She says that *"I cancelled within Allay Claims' cancellation policy timescale, have proved the form was posted, had no reason to chase the cancellation, I missed postal communication because I was seriously ill, and paid the bill in full in complete error."*

## **my findings**

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

It is not disputed that Miss C instructed Allay to make a claim on 18 October 2018. Allay did this and the claim was successful in January 2019.

I have seen Miss C's cancellation request. This is a cancellation form which is signed and dated 23 October 2018. Miss C's partner has also stamped this form with 'cancelled 23 Oct 2018'. Miss C says that this was then posted first class to Allay. While I don't doubt that, to the best of Miss C's knowledge, the form was posted, I haven't seen anything to show that Allay received it.

As Miss C sent the cancellation form by normal first class post, there is no proof of postage or proof of receipt. Allay's case notes show the work they did on the claim, but don't show that they received the cancellation form. Because of this, I cannot say that Allay ignored the cancellation form. It's more likely that the form was never received.

Allay also charged a percentage success fee, not a fee based upon the amount of work they actually undertook. This means that any work done on any unsuccessful claims would be done for free. Where a claim was successful, Allay's fee may be 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.

Just because Allay's fee is higher than the value of the work they have done for Miss C doesn't make their fee unjustified. Because Allay did the work that led to the claim being successful, I can't say that they should refund this fee.

**my final decision**

For the reasons explained above, I agree that Allay Claims Ltd provided Miss C with a reasonable service.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss C to accept or reject my decision before 22 July 2019.

Andrew Burford  
**ombudsman**