

You may choose to instruct a claims management company (CMC) to help you make a claim. For example, if you believe you were mis-sold payment protection insurance (PPI) you could ask the CMC to help you claim back a PPI refund. The CMC will first complain on your behalf to the financial business that sold you the policy, such as your bank, and then, if you're not happy with their response, they can refer your complaint to the Financial Ombudsman Service (FOS).

You do not have to use a CMC to help you make a claim, you can do this yourself, but if you choose to use the services of a CMC, then here are some things to consider when deciding which one to use.

Top tips: Instructing a claims management company

1. Confirm they are a regulated CMC

Companies that provide authorised claims management services must be regulated by the Claims Management Regulator (CMR). If you want to check if a company is regulated then you can do that by telephoning the CMR on 0333 200 0110 or by checking their website: <https://www.claimsregulation.gov.uk/search.aspx>.

2. Understand their fees

Some CMCs take a fee before they have started any work (upfront fee); but other CMCs will not charge you anything unless your complaint is successful (a "success fee"). The CMCs that charge an upfront fee will normally also charge a success fee.

Like most services, different CMCs charge different fees. For example, success fees can range from 25% to 39%. Take a moment to think about whether you're happy with the CMC's fees and shop around before you commit.

3. Understand who will be working on your complaint

Some CMCs pass your claim on to another CMC to work on. In this case it's worth checking that all the CMCs that will be involved in your claim are regulated. We would also recommend you make sure you understand what each CMC will be doing for you and how much you are paying them. Where claims are passed between CMCs, the first CMC might charge an upfront fee with the second taking a success fee. If you are unsure, ask your CMC to explain the process in detail and to clarify who will be providing you with the service.

4. Are they the right CMC for you?

Think about how the CMC communicates with their customers and whether this suits your needs. For example, some CMCs may offer a portal service where you can submit documents and check the progress of your claim online. This is probably great for internet users, but if you're not that internet savvy it might not be much use. It's a good idea to check that the CMC you're considering will communicate with you in the method you most prefer.



5. Only instruct one CMC

It sounds obvious, but it's important that you do not instruct more than one CMC to act on the same claims. If two CMCs are instructed it is likely that you will have to pay a fee to both, reducing the amount you receive from any refund secured.

6. Make sure you're happy

Remember, once you've instructed a CMC, you have 14 days to cancel their service without being charged anything. If you cancel after 14 days the CMC are entitled to charge you for work they've carried out. We recommend you take this time to read over the CMC's terms and conditions to make sure you fully understand what to expect from them and what they expect from you.

We hope you have found this information useful. If you have any questions, then please contact us on **0300 555 0333** and one of our staff will be happy to help.

And finally, if you have instructed a CMC to handle a claim on your behalf and you are not happy with the service they have provided, you can contact us and we may be able to help.



Contact us:

www.legalombudsman.org.uk/contact-us/#contactourclaimsmanagementteam