

Chapter 5

Financial Ombudsman Service Funding



5.5B Case fees

Application

- 5.5B.1 R ■ FEES 5.5B applies to *respondents*.
- 5.5B.2 G VJ *participants* are included as a result of ■ DISP 4.2.6 R.
- 5.5B.3 R Any *firm* falling into either *industry block 13* or *industry block 15* in ■ FEES 5 Annex 1 R is not required to pay any case fee in respect of *chargeable cases* relating to those *industry blocks*.
- 5.5B.4 G The *firms* in *industry blocks 13* and *15* are cash plan health providers and small *friendly societies*. The case fee exemption takes into account that the amount in issue is likely to be small relative to the case fee.
- 5.5B.5 R A *credit union* or a *community finance organisation* which is subject to the *minimum levy* in an *industry block* is not required to pay any case fee in respect of *chargeable cases* relating to that *industry block*.
- 5.5B.6 G Arrangements similar to those for *firms* in *industry blocks 13* and *15* have been made for small *credit unions* under ■ FEES 5.5B.5 R.
- 5.5B.7 R
 - (1) Any of the following *persons* which is exempt under ■ DISP 1.1.12R is also exempt from ■ FEES 5.5B:
 - (a) a *firm*;
 - (b) a *payment service provider*;
 - (c) an *electronic money issuer*;
 - (d) a *designated credit reference agency*; and
 - (e) a *designated finance platform*.
 - (2) However, a *person* will only be exempt from ■ FEES 5.5B in any *financial year* if it met the conditions in ■ DISP 1.1.12R on 31 March of the immediately preceding *financial year*.

Purpose

5.5B.8 **R** The purpose of **FEES 5.5B** is to set out the requirements on *respondents* to pay fees in relation to cases referred to the *Financial Ombudsman Service*.

5.5B.9 **R** These fees are towards funding the *Financial Ombudsman Service*, and are invoiced and collected directly by the *FOS Ltd*.

5.5B.10 **G** In each of the *Financial Ombudsman Service's* jurisdictions, the *annual budget* reflects the total expected to be raised by levies plus the total expected to be raised by case fees for the relevant *financial year*.

5.5B.11 **G** The amount of the case fees will be subject to consultation each year.

Standard case fee

5.5B.12 **R** A *respondent* must pay to the *FOS Ltd* the standard case fee specified in **FEES 5 Annex 3R Part 1** in respect of each *chargeable case* relating to that *respondent* which is closed by the *Financial Ombudsman Service* during a *financial year* (regardless of when the *chargeable case* was referred to the *Financial Ombudsman Service*), unless the *respondent* is identified as part of a *charging group* as defined in **FEES 5 Annex 3R Part 3**.

5.5B.13 **G** The exclusion of *respondents* that are identified as part of a *charging group* as defined in **FEES 5 Annex 3R Part 3** applies only from 1 April 2013. Those *respondents* continue to be liable for the standard case fee under **FEES 5.5B.12 R** in respect of *chargeable cases* closed by the *Financial Ombudsman Service* before 1 April 2013.

5.5B.14 **R** But a *respondent* will only be liable for, and the *FOS Ltd* will only invoice for, the standard case fee in respect of the 4th and subsequent *chargeable cases* which are closed by the *Financial Ombudsman Service* in any *financial year*.

5.5B.15 **G** [deleted]

5.5B.16 **R** A *respondent* must pay to the *FOS Ltd* any standard case fee which it is liable to pay under **FEES 5.5B** and which is invoiced by the *FOS Ltd* within 30 calendar *days* of the date when the invoice is issued by the *FOS Ltd*.

Supplementary Case fee [deleted]

5.5B.17 **R** [deleted]

5.5B.18 **G** [deleted]

5.5B.19 **R** [deleted]

		Special case fee
5.5B.20	R	If the <i>respondent</i> is identified as part of a <i>charging group</i> as defined in ■ FEES 5 Annex 3R Part 3, the <i>charging group</i> must pay the special case fee calculated under ■ FEES 5 Annex 3R Part 4 (from 1 April 2013) instead of the <i>respondent</i> paying the standard case fee.
5.5B.21	R	The <i>FOS Ltd</i> : <ul style="list-style-type: none"> (1) will invoice the special case fee as described in ■ FEES 5 Annex 3R Part 4; and (2) may invoice the relevant <i>charging group</i> through any of the individual <i>respondents</i> in the relevant <i>charging group</i>.
5.5B.22	R	A <i>charging group</i> must pay to the <i>FOS Ltd</i> any special case fee (including any year-end adjustment) as described in ■ FEES 5 Annex 3R Part 4 within 30 calendar <i>days</i> of the date when the invoice is issued by the <i>FOS Ltd</i> .
5.5B.23	R	In respect of the special case fee, individual <i>respondents</i> are jointly and individually liable for the obligations of the <i>charging group</i> of which they are identified as forming part in ■ FEES 5 Annex 3R Part 3.
		Leaving the Financial Ombudsman Service
5.5B.24	R	Where a <i>respondent</i> ceases to be a <i>firm</i> , <i>payment service provider</i> , <i>electronic money issuer</i> , <i>CBTL firm</i> , a <i>designated credit reference agency</i> , a <i>designated finance platform</i> , <i>VJ participant</i> or <i>claims management company</i> (as the case may be) part way through a <i>financial year</i> it will remain liable to pay case fees under ■ FEES 5.5B in respect of cases within the jurisdiction of the <i>Financial Ombudsman Service</i> .
		Late payment of case fees
5.5B.25	R	If a <i>respondent</i> does not pay a case fee payable under ■ FEES 5.5B in full to the <i>FOS Ltd</i> before the end of the date on which it is due, that <i>respondent</i> must pay to the <i>FOS Ltd</i> in addition: <ul style="list-style-type: none"> (1) an administrative fee of £250; plus (2) interest on any unpaid amount at the rate of 5% per annum above the Official Bank Rate from time to time, accruing on a daily basis from the date on which the amount concerned became due.
5.5B.26	G	The <i>FOS Ltd</i> may take steps to recover any money owed to it (including interest).
		Time limit for making a claim for the remission or repayment of case fees
5.5B.27	R	In relation to any case fee which was invoiced by <i>FOS Ltd</i> under ■ FEES 5.5B on or after 1 April 2023, no claim for the remission or repayment of all or part of the case fee (or any interest or administrative fee due under

■ FEES 5.5B.25R in relation to it) may be made to *FOS Ltd* more than 1 year after the date on which the case fee was invoiced (irrespective of when or whether the amounts in question were paid to *FOS Ltd*).

5.5B.28 **R** In relation to a case fee which was invoiced by *FOS Ltd* under ■ FEES 5.5B before 1 April 2023, and subject to any rule of law prescribing a shorter time period for making such a claim, no claim for the remission or repayment of all or part of the case fee (or any interest or administrative fee due under ■ FEES 5.5B.25R in relation to it) may be made to *FOS Ltd* on or after 31 March 2024 (irrespective of when or whether the amounts in question were paid to *FOS Ltd*).

5.5B.29 **R** The *FOS Ltd* may allow a claim to be made outside the time limits prescribed in ■ FEES 5.5B.27R and ■ FEES 5.5B.28R if it is satisfied that the failure to make a claim within the time limits prescribed was as a result of exceptional circumstances.