

News release

Views wanted on restricting fees in financial mis-selling claims

07 July 2021

We are inviting views from law firms on fee restrictions for financial product and services mis-selling compensation cases, in line with our obligations under the Financial Guidance and Claims Act 2018 to make rules that prevent excessive fees being charged for claims management activities connected to financial products or services.

We have launched a [discussion paper](https://rules.sra.org.uk/sra/consultations/discussion-papers/restricting-fees-for-some-claims-management-services/) [https://rules.sra.org.uk/sra/consultations/discussion-papers/restricting-fees-for-some-claims-management-services/] setting out our approach and looking at whether our new rules should be closely aligned to the proposals of the Financial Conduct Authority (FCA), which regulates the vast majority of this sector.

Paul Philip, SRA Chief Executive, said: 'This is an important piece of work for consumers and the firms we regulate. Fees have to be set at a level that means the cost is affordable for people seeking redress, while ensuring that this is still a viable area of work for firms that provide this service for those who need it. So although the number of law firms involved may be small, the impacts for consumers could be significant.

'I would urge firms currently providing claims management in this area, and others who may be thinking about doing so, to read the discussion paper and let us know what you think.'

A webinar explaining our thinking will be held on Wednesday 4 August at 12.30. Those wanting to watch and submit questions can register for the webinar via the [SRA's Events page](https://events.sra.org.uk/sra/544/home) [https://events.sra.org.uk/sra/544/home]. Views on the discussion paper are invited by 29 September. The paper explains how those views should be shared.