

## The complaint

Mr W complains about Quickly Finance Limited trading as Fast Track Reclaim ("FTR") and the settlement fee they are asking him to pay following a successful Payment Protection Insurance ("PPI").

## What happened

In early August 2019, Mr W signed a Letter of Authority ("LOA") instructing FTR to pursue a claim for mis-sold PPI on his behalf against his former credit card provider, who I'll refer to as "M". It's important to note that by this time, M were no longer trading. But its parent company replied on its behalf, and for ease of reference I will refer to this parent company as M as well.

FTR contacted M querying whether Mr W's accounts held PPI. And it was confirmed that his credit card had. So, in September 2019, FTR submitted a letter of claim with a supporting PPI questionnaire on Mr W's behalf.

M acknowledged this submission, writing to both FTR and Mr W directly in September and October 2019. And in June 2020, M paid Mr W a total settlement of £1131.15. FTR were made aware of this by spreadsheet in September 2020, and they proceeded to invoice Mr W for their settlement fee, in line with the terms and conditions of the agreement Mr W held. But Mr W was unhappy about this, so he raised a complaint.

Mr W didn't think FTR were fair to chase him for a fee, as he felt he'd liaised directly with M to receive his PPI payment, as M had stated to FTR that there was no PPI when the claim was first made. And he explained M had told him directly that they didn't deal with companies such as FTR. So, Mr W wanted FTR to waive the £271.48 fee he was being asked for.

FTR responded to the complaint and didn't uphold it. They thought the work they completed had led directly to the PPI refund Mr W received. So, they thought they were fair when asking for their fee. They acknowledged it had taken them some time to invoice Mr W, but they thought this was the fault of M who hadn't made them aware of the offer at the same time as Mr W. So, FTR didn't think they needed to do anything more and confirmed the fee remained payable. Mr W remained unhappy with this response, so he referred his complaint to us.

Our investigator looked into the complaint and didn't uphold it. They were satisfied that FTR had submitted the claim that led to Mr W's PPI refund, and that they had authority from Mr W to do so. Because of this, they thought FTR were fair to invoice Mr W for their settlement fee, and they didn't think FTR needed to do anything more

Mr W didn't agree. And he provided several reasons explaining why, which included and are not limited to, his maintained belief that M hadn't found any PPI from FTR's initial submission. And that M had told him specifically that they didn't work with companies such as FTR, which he felt supported his belief that it was his involvement solely that led to the refund he received. As Mr M didn't agree, the complaint has been passed to me for a

decision.

### **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.

And having done so, I'm not upholding the complaint for broadly the same reasons as the investigator. I've focused my comments on what I think is relevant. If I haven't commented on any specific point, it's because I don't believe it's affected what I think is the right outcome.

First, I want to recognise the impact this complaint has had on Mr W. I don't dispute Mr W's testimony that he liaised with M directly during the PPI claim process. So, I can understand why he feels he completed the work necessary to secure the refund he received. And because of this, when Mr W received an invoice from FTR some time later asking for a settlement fee calculated from this refund, I can understand why he'd feel this was unfair and dispute it.

But for me to say FTR should waive this fee, or do something else, I first need to be satisfied they've done something wrong when invoicing Mr W. So, I'd need to be satisfied that FTR didn't have authority to pursue the claim on Mr W's behalf, and that there was no valid agreement in place that allowed them to charge Mr W a fee. Or, if I think they did have authority, I'd need to be satisfied they completed no work of value towards the claim. And in this situation, I don't think that's the case.

I've seen the LOA Mr W signed in August 2019. And by signing this LOA, I think Mr W gave FTR authority to pursue a claim for mis-sold PPI against M, and that he agreed to be bound by the accompanying agreement and its terms and conditions.

I've seen these terms and conditions, and they explain that FTR would be providing Mr W with *"Claims Services"*. And they defined these *"Claims Services"* to be *"conducting a PPI check to ascertain if you have/had PPI with each company you tell us you have dealt with and/or preparing and submitting your claims to/with the company, in the event that FTR locate PPI."*

In this situation, I can see that in early September 2019, M wrote to both FTR and Mr W confirming that, following FTR's PPI check, they had identified an account with PPI attached to it. And, that they had logged the PPI query as a complaint that they would investigate. Specifically, in the letter to FTR, M refer to Mr W as *"Your client"*. So, I'm satisfied M became aware of Mr W's claim through FTR's actions.

I've then seen in late September, FTR submitted a full letter of claim, with a supporting PPI questionnaire, to M. And I've seen M wrote to both FTR and Mr W again after this submission, explaining they were continuing with their investigation. Again, in the letter to FTR, M refer to Mr W as FTR's client.

So, because of the above, I'm satisfied that FTR completed the claims services they stated they would provide in the terms and conditions of the agreement Mr W held.

And I've seen that Mr W's PPI refund was paid under the same reference M provided on their correspondence to Mr W and FTR. So, I think it's reasonable for me to assume the payment Mr W received originated from the claim FTR submitted on his behalf.

In this situation, the terms and conditions explain that *"where a claim is successful, FTR will*

*charge a contingency fee representing no more than 24% inc. VAT in respect of any redress/compensation/good will payment recovered on your behalf". And this is what they have done here. So, I don't think I can say FTR acted outside of the agreement Mr W entered into when invoicing him, once they'd been made aware by M that a PPI refund had been provided.*

While I recognise this invoice came some time after Mr W received his refund, I can see M made FTR aware of the refund some months after the payment had been made. This was the decision of M, and not FTR and so, I don't think it would be fair for me to hold FTR responsible for this.

I also note that within the terms and conditions Mr W entered into, it states "*The company may contact you directly and you will inform FTR promptly of this and any relevant matters affecting your claim(s)*". And I think it's fair for me to say that receiving a PPI refund from M would be deemed a relevant matter. I also think this includes any direct communication Mr W had with M during the claim process. While I don't dispute Mr W most likely did speak to M directly during this time, I think Mr W should've been reasonably aware he had instructed FTR to undertake this work. And, if he didn't want to do this work himself, I think he should've been aware he was able to contact FTR and ask them to do this for him. But I can't see that he did.

And crucially, the agreement Mr W entered into with FTR was on a "no win no fee" basis, meaning any payment was based on the refund he received, rather than the amount of work FTR completed. So, I don't think Mr W liaising with M directly means FTR shouldn't be able to claim the fee they are entitled to as set out within the agreement.

So, because of all the above, I don't think I can say FTR have acted unfairly on this occasion and because of this, I don't think they need to do anything more.

I understand this is unlikely to be the outcome Mr W was hoping for. And I recognise this won't fall in line with his belief that M told him directly they didn't work with companies like FTR. But crucially, whether or not M did say this, I've seen they corresponded with FTR throughout the claim process, which resulted in them making FTR aware of the payment Mr W received. Had M had a set process of not working with companies such as FTR, I wouldn't have expected them to take this action. So, this has impacted the decision I've reached.

### **My final decision**

For the reasons outlined above, I don't uphold Mr W's complaint about Quickly Finance Limited trading as Fast Track Reclaim.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr W to accept or reject my decision before 29 November 2023.

Josh Haskey  
**Ombudsman**