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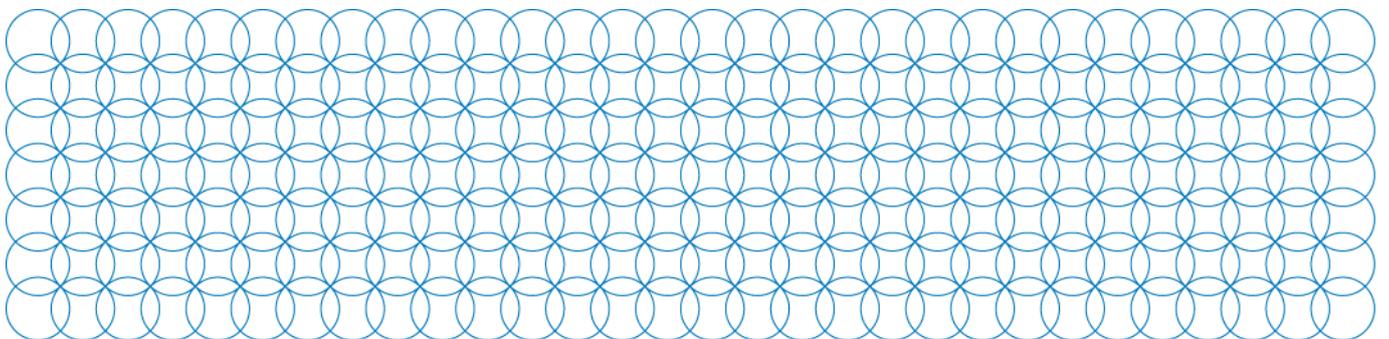
# **Claims Management Regulation**

## Regulation fees paid by claims management companies

**Proposed regulation fees levels for 2016–17**

This consultation begins on 10 November 2015

This consultation ends on 8 December 2015







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**JUSTICE**

## Claims Management Regulation

### Regulation fees paid by claims management companies

Proposed fees levels for 2016–17

**A consultation produced by the Ministry of Justice. It is also available on the  
Ministry of Justice website at [www.justice.gov.uk](http://www.justice.gov.uk)**

## About this consultation

- To:** All those required to be authorised under the Compensation Act 2006
- Duration:** From 10/11/2015 to 08/12/2015
- Enquiries (including requests for the paper in an alternative format) to:** Claims Management Regulation - HQ Office  
Ministry of Justice  
102 Petty France  
London SW1H 9AJ
- Tel: 020 3334 3173  
Email: [claimsmanagementregulation@justice.gsi.gov](mailto:claimsmanagementregulation@justice.gsi.gov)
- How to respond:** Please send your response by 08/12/2015 to:  
Mr Sal Ahmed  
Claims Management Regulation HQ Office  
Ministry of Justice  
102 Petty France  
London SW1H 9AJ
- Tel: 020 3334 6396 / 3173  
E: [claimsmanagementregulation@justice.gsi.gov](mailto:claimsmanagementregulation@justice.gsi.gov)
- Response paper:** A response to this consultation exercise is planned to be published by February 2016 at:  
[www.claimsregulation.gov.uk](http://www.claimsregulation.gov.uk)

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## Summary

### Claims Management Regulation

1. Claims Management Regulation was established in 2007 under Part 2 of the Compensation Act 2006. The regulatory system is self-financing, with applicants and authorised claims management companies (CMCs) meeting the costs of regulation through the payment of application and annual authorisation fees. Fees are calculated based on the number of new CMCs predicted to apply for authorisation, the turnover of already authorised CMCs together with the proportion of CMCs expected to maintain their authorisations both in year and into the following year. The level of these fees is set in advance of the year to which they apply and this consultation sets out the proposed fees for the regulation year April 2016 to March 2017.
2. The claims market continues to evolve, and changes to the regulatory landscape have to be taken into account when considering the level of fees. The overall size of the market is a particularly significant factor. At the end of the regulatory year 2014/15 (March 2015) there were just over 1,750 authorised CMCs. The personal injury (PI) sector was the largest with 979 authorised businesses and the financial products and services (FPS) sector the second largest with 847 authorised businesses (CMCs can operate across different sectors simultaneously).
3. These figures indicate that the PI claims market has recovered after adjusting to the effects of major civil justice reforms that saw a 41% fall in the number of CMCs operating in that sector by March 2014. The FPS sector remained stable, with only a relatively small reduction in CMC numbers, from just over 1000 in 2013/14 to just below 900 in 2014/15.
4. This recovery of the claims market is also reflected in the turnover figures of CMCs operating in the PI and FPS sectors. The total declared industry turnover for the 12 months to November 2014 increased by 11% - being 1% up in the FPS sector and 27% up in the PI sector. This contrasts with the previous year, which saw the biggest drop in turnover for both sectors since regulation began (at the end of November 2013 turnover for the PI sector had fallen by 32%, with the FPS sector falling by 31%).
5. The size of the market therefore has a direct impact on total fee income for the Claims Management Regulator ("The Regulator"). The costs of the primary compliance and enforcement functions of the Regulator remain ongoing, and continuing resource is needed to meet the challenges posed by regulation and to both ensure compliance with our existing commitments and new reform programme.
6. HM Treasury and the Ministry of Justice have commissioned a fundamental review into how to implement an even more rigorous regulatory regime for CMCs. Carol Brady, who is leading the review, has met key stakeholders about the objectives, scope and design of a reformed regulatory regime. This

evidence will be used to assess the powers and resources required for a strengthened regulatory regime, what structure might be most appropriate to deliver this and what other reforms may be necessary. The review is due to be completed in the first part of 2016 and the outcome could have an impact on how claims management regulation operates – with the full effect likely to be seen in the 2017/18 financial year.

7. These measures build on other recent reforms, such as the reinforcement of the Regulator's enforcement tools in December 2014 with a new power to impose financial penalties on CMCs. Such reforms need to be closely policed by the Regulator, with programmes of monitoring, audits and related compliance activities established, maintained and balanced with other existing areas such as the policing of unauthorised trading, and the ban on referral fees.
8. Fee levels for the 2016/17 regulatory year must therefore remain sufficient to support the necessary enforcement and compliance programmes, and build on the ongoing work to maintain and improve regulation. Having considered all of the factors that contribute to the current and future size of the industry, and in particular taking into account the general stabilisation of the market, the Regulator has reached the view that fee levels should remain unchanged for 2016/17. This should allow the Regulator - pending the outcome of Carol Brady's review of regulation - to achieve the main objectives of delivering an effective regulatory regime and ensuring that the fee income from regulated CMCs covers the costs of regulation.
9. Fee levels for the 2016/17 regulatory year will remain as follows:
  - The application fee will remain at £2,000
  - The annual regulation fee pay scales for CMCs with turnovers under £88,889 will remain unchanged
  - The percentages of annual turnover levied on CMCs with turnovers over the flat fee threshold of £88,889 will remain at 0.90% of annual turnover up to £1 million; 0.80% of annual turnover up to £5 million; and 0.75% of annual turnover over £5 million
  - The fees caps for both annual regulation and the financial products and services uplift will remain at £150,000
  - The existing financial products and services uplift levied on annual turnover from regulated activities in that sector will remain at 0.145%.

These proposals should ensure an ongoing, robust and stable self financing position and to allow a Regulator to operate efficiently in an ever evolving claims industry. The specific fee proposals are set out at page 10 and **Annex A**.

10. Given the ongoing regulatory reform programme and potential volatility of the claims market, we propose to retain the option of making an in year adjustment to the 2016–2017 fees.

## Introduction

11. This paper sets out the levels at which claims management regulation fees (the fees collectable for applications for authorisation and the costs incurred by the Regulator through direct regulation of authorised CMCs) will be set for the 2016-17 regulatory year and proposes the methods of calculation by which they will be collected.
12. This consultation is aimed at persons authorised to provide claims management services in England and Wales under the Compensation Act 2006 and those CMCs and individuals contemplating making an application for authorisation. The register of Authorised Persons is available at: <https://www.claimsregulation.gov.uk/search.aspx>
13. The consultation will run for a period of 4 weeks. Copies of the consultation paper are being sent to:
  - All authorised claims management companies and organisations, and
  - The Claims Management Regulatory Consultative Group – see **Annex B** for a list of members.

However, this list is not intended to be exhaustive or exclusive and responses are welcomed from anyone with an interest in or views on the subject covered by this paper.

## Background

### Regulation Fee Requirements

14. The levels of fees paid by authorised CMCs are reviewed by the Regulator each year to ensure that they remain proportionate while ensuring that regulation remains self financing. As part of the annual fees review, authorised CMCs and other interested and appropriate parties are consulted in accordance with regulation 15<sup>1</sup> of the Compensation (Claims Management Services) Regulations 2006 (the Regulations).
15. The claims management regulatory regime is self funding, and therefore all operational costs must be recovered through the regulation fees paid solely by CMCs, with no cost to the tax payer. In order to meet these costs, all applicants must pay an application fee and, if authorised, an annual regulation fee. For all currently authorised CMCs, an annual regulation fee is charged in advance of the regulation year to which it relates. This fee is calculated using turnover information submitted by CMCs as part of the annual renewal process in February of each year.
16. The yearly fee levels determined by the Regulator are based on estimates of income receipts from new applications, the level of authorised CMCs in operation, any potential contraction (or, if applicable, expansion) of the claims market and the administrative costs of operating the regulatory regime.

### Application Fee

17. Those that wish to provide regulated claims management services must be authorised to do so, unless they benefit from an exemption<sup>2</sup>. To become authorised, a person is required to pay an application fee and must go through a detailed application process in accordance with regulations 8 and 9<sup>3</sup> of the Regulations. If the Regulator is satisfied that the applicant meets the criteria provided for by the Regulations, they will be granted authorisation to provide regulated claims management services.
18. An application fee is paid by every applicant, successful or not, and contributes to meeting the costs of the Regulator carrying out detailed checks in processing the applications. These checks include verifying the information provided, establishing directors' identities, seeking further information where necessary and reviewing proposed contracts and marketing material. Some

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<sup>1</sup> <http://www.legislation.gov.uk/uksi/2006/3322/part/4/made>

<sup>2</sup> [https://www.gov.uk/government/uploads/system/uploads/attachment\\_data/file/313625/Claims-management-companies-who-needs-to-be-authorised-notes.pdf](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/313625/Claims-management-companies-who-needs-to-be-authorised-notes.pdf)

<sup>3</sup> <http://www.legislation.gov.uk/uksi/2006/3322/part/3/made>

CMCs require more scrutiny due to their complex structures and additional compliance checks are carried out on applicants that have been identified as having a higher risk rating.

### **Annual Regulation Fee**

19. Businesses that are approved for authorisation must pay the annual regulation fee before authorisation is granted and also for each year that they remain authorised. This fee contributes to meeting the costs of monitoring, compliance and enforcement functions including handling stakeholder contacts, investigating breaches of the Conduct of Authorised Persons Rules, regulatory visits, audits and any necessary enforcement action against unauthorised CMCs.
20. In order to deal with key areas of non-compliance, monitoring and compliance work is targeted appropriately. The annual regulation fee covers the provision of this risk-based monitoring and compliance work with the aim of improving standards across the industry and ensuring that effective consumer safeguards remain in place.

## **Paying for Regulation**

### **The Claims Market**

21. The claims management industry is a fluid market which can be volatile and sensitive to changes in wider economic conditions. These factors make any prediction as to the number of CMCs that will require authorisation difficult. This volatility can impact on fee income received and the costs of regulating the conduct of authorised CMCs.
22. The 2014/15 regulatory year saw a total of 390 CMCs surrender their authorisation, with a further 105 CMCs having their authorisation cancelled. These market exits were balanced by 304 new entrants. So far, the 2015/16 regulatory year has seen the cancellation of authorisation of 59 CMCs, 112 warnings issued, 149 formal audits and 600 regulatory visits carried out.
23. The 2014/15 regulatory year has seen a relatively stable claims market. At the end of March 2015 the number of CMCs active in the PI sector had fallen only slightly to 979 (from just over 1000 in March 2014), still marginally bigger than the FPS sector which had 847 in operation at that time. The employment sector is the most active of the other four regulated claims sectors. The other three smaller claims sectors are criminal injuries, industrial injuries disablement benefit and housing disrepair, and have very little activity in the claims management market.

### **Regulation Costs and Fee Income**

#### **Costs**

24. Various factors make up the cost of regulation, some of which are relatively fixed, with others dictated by our need to be responsive to shifting demand and emerging issues and as such, are less certain. The costs resulting from dealing effectively with non compliant CMCs continues to increase. This means that sufficient resources are needed to undertake the necessary compliance projects, audits and management of general business and stakeholder contacts.
25. Most of these costs are incurred through targeted casework and as such, they would not necessarily be affected by the total number of CMCs. Other variable costs are legal and other associated costs incurred in defending appeals against the Regulator's decisions to refuse, cancel, suspend or vary a CMC's authorisation.

26. The regulation costs predicted for 2016-2017 include:

- Detailed assessments of applications for authorisation
- Maintaining and enhancing monitoring, compliance and enforcement activities
- Measures to tackle organised fraud and compliance with the referral fee ban in the personal injury sector
- Measures to tackle non-compliant marketing practices, including contribution to the Government's action plan on nuisance calls
- Measures to tackle issues arising from handling of financial claims, including overview of the PPI claims market
- Further work on tackling unauthorised trading

These costs are expected to be approximately £6m - made up of monitoring, compliance and central costs to maintain an effective regulatory regime under changing and challenging conditions expected in 2016-2017.

### **Fees Income**

27. Fee income and therefore the amount of fees paid by individual CMCs is affected by a number of different factors. For example, not all CMCs require their authorisation into the next regulatory year, and a number will fail to comply with regulation and will be cancelled in accordance with our enforcement policy. Some CMCs voluntarily surrender their authorisation as they no longer wish to trade or are not able meet the conditions of authorisation.
28. We anticipate that the general stabilisation of the claims market will continue with the level of new entrants, exits and turnovers remaining broadly consistent with current levels. Having balanced all of the factors and variables affecting fee income, we have reached the view that the current market situation allows us to leave current fee levels unchanged. The fee income generated should adequately cover the projected £6m costs for 2016-2017.

## Proposals

### Annual Regulation Fee Scales for 2016-2017

#### Application Fee

29. We are not proposing to change the current £2000 application fee level. This level was increased significantly last year (from £1,400 to £2,000) and that change allows adequate provision to cover any changes in the number of applications for authorisation in 2016-17 and to recover the costs of heightened scrutiny when considering applications from businesses.

#### Annual Regulation Fee

30. We are proposing to leave annual regulation fee levels unchanged. This should not only ensure that regulation remains self-funding, but also to ensure that service levels are maintained and continue to improve. The table below sets out the proposed annual regulation fee scales for 2016-2017:

<b>Annual Regulation Fee Scales 2016 - 2017</b>	
Turnover under £5,000	Fee = £200
Turnover £5,000 - £14,999	Fee = £350
Turnover £15,000 - £24,999	Fee = £500
Turnover £25,000 - £74,999	Fee = £650
Turnover £75,000 - £88,889	Fee = £800
Turnover more than £88,889	Fee = 0.9% of annual turnover up to £1 million; 0.8% of annual turnover between £1million and £5 million; 0.75% of annual turnover above £5 million (with fees cap at £150,000).

#### Financial Products and Services Uplift

31. We do not propose to change the financial products and services uplift which is currently set at 0.145% of annual turnover resulting from regulated activities undertaken in the financial products and services sector. The current cap of

£150,000 that applies to the financial products and services uplift will also remain unchanged. The uplift will apply to new and existing CMCs, with the uplift to new CMCs based on their estimated turnover for the financial products and services sector. This will correlate with the current charging mechanism in place for annual regulation fees paid by new claims management companies entering the market.

32. A working example of what the fee proposals overall will mean for different CMCs can be found at **Annex C**. Any rebate of annual regulation fees will be payable in accordance with regulation 19 of the Regulations.

## Questionnaire

We would welcome responses to the proposals set out in this consultation paper.

### Claims Management Regulation Fees Determination 2016/17

- i) Do you have any comments on the fee scales and the proposed draft Fees Determination for 2016 – 2017 (at **Annex A**)?
- ii) Do you have any views on any potential equalities impacts (*race, sex, disability, sexual orientation, religion or belief, age, marriage, civil partnership, gender reassignment, pregnancy and maternity*) on individuals regarding the proposed fee determination? If so, please give reasons where possible to support your views
- iii) Bearing question (ii) in mind, are there any particular forms of mitigation in relation to any potential equalities impacts that should be considered?

Thank you for participating in this consultation exercise.

## About You

Please use this section to tell us about yourself

<b>Full name</b>	
<b>Job title</b> or capacity in which you are responding to this consultation exercise (e.g. member of the public etc.)	
<b>Date</b>	
<b>Company name/organisation</b> (if applicable):	
<b>Address</b>	
<b>Postcode</b>	
If you would like us to acknowledge receipt of your response, please tick this box	<input type="checkbox"/> (please tick box)
Address to which the acknowledgement should be sent, if different from above	

**If you are a representative of a group**, please tell us the name of the group and give a summary of the people or organisations that you represent.

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## Contact details/How to respond

Please send your response by 8 Nov 2015 to:

**Claims Management Regulation – HQ Office**  
**Ministry of Justice**  
**102 Petty France**  
**London SW1H 9AJ**

**Tel: 020 3334 3173**

**Email: [claimsmanagementregulation@justice.gsi.gov.uk](mailto:claimsmanagementregulation@justice.gsi.gov.uk)**

### Extra copies

Further paper copies of this consultation can be obtained from this address and it is also available on-line at <http://www.justice.gov.uk/index.htm>.

### Publication of response

A paper summarising the responses to this consultation will be published by February 2016. The response paper will be available on-line at [www.claimsregulation.gov.uk](http://www.claimsregulation.gov.uk)

### Representative groups

Representative groups are asked to give a summary of the people and organisations they represent when they respond.

### Confidentiality

Information provided in response to this consultation, including personal information, may be published or disclosed in accordance with the access to information regimes (these are primarily the Freedom of Information Act 2000 (FOIA), the Data Protection Act 1998 (DPA) and the Environmental Information Regulations 2004).

If you want the information that you provide to be treated as confidential, please be aware that, under the FOIA, there is a statutory Code of Practice with which public authorities must comply and which deals, amongst other things, with obligations of confidence. In view of this it would be helpful if you could explain to us why you regard the information you have provided as confidential. If we receive a request for disclosure of the information we will take full account of your explanation, but we cannot give an assurance that confidentiality can be maintained in all circumstances. An automatic confidentiality disclaimer generated by your IT system will not, of itself, be regarded as binding on the Ministry.

The Ministry will process your personal data in accordance with the DPA and in the majority of circumstances; this will mean that your personal data will not be disclosed to third parties.

## **Consultation Co-ordinator contact details**

**Responses to the consultation must go to the named contact under the How to Respond section.**

However, if you have any complaints or comments about the consultation **process** you should contact Sheila Morson on 020 3334 4498, or email her at [consultation@justice.gsi.gov.uk](mailto:consultation@justice.gsi.gov.uk).

Alternatively, you may wish to write to the address below:

**Ministry of Justice  
Consultation Co-ordinator  
Better Regulation Unit  
Analytical Services  
7th Floor, 7:02  
102 Petty France  
London SW1H 9AJ**

## Annex A – Draft Fees Determination 2016-2017

*This Determination is made under Regulation 15 of the Compensation (Claims Management Services) Regulations 2006 and sets out the application and annual fees applicable from 1 April 2016.*

### Definitions

1. In this determination:

**'the Act'** means the Compensation Act 2006;

**'Regulator'** has the same meaning as in Section 14 of the Act;

**'Applicant'** means a person who has applied for authorisation under the Act;

**'Authorisation'** means an authorisation to provide regulated claims management services under the Act;

**'Authorised Business'** means a person who is currently authorised under the Act;

**'Client'** means a person for whom an authorised business is providing a regulated claims management service;

**'Regulated claims management service'** means the prescribed services set out in Article 4 of the Compensation (Regulated Claims Management Services) Order 2006;

**'Turnover'** means the sum of the amounts paid to, or received by, an authorised business in respect of regulated claims management services, including:

- a) charges, commission, the share of any compensation, fees and subscriptions, and
- b) the monetary value of any services received by the authorised business where it makes no payment for those services or where the payment received is worth less than the monetary value of the services, and
- c) the monetary value of any advertising in respect of the authorised business that it has not paid for out of funds referred to in sub-paragraphs (a) and (b).

**'Annual turnover'** means

- a) The authorised business's or applicant's turnover for the 12 months to 30 November 2015.
- b) If the business or applicant did not trade for the full 12 months to 30 November 2015, the estimated turnover for the 12 months to 30 November 2016.
- c) Where the application for authorisation is made on or after 30 November 2015, the estimated turnover for the 12 months to 30 November 2016.

### Application of this determination

2. This fees determination applies to fees for all applications for authorisation made on or after 1 April 2016 and sets the annual fees for all businesses authorised at and after that date to the end of March 2017.

### Application fee

3. An applicant seeking authorisation to provide regulated claims management services must submit an application fee of £2,000.00 with the application form.

### Annual Fee

4. Authorised businesses will pay an annual fee. This fee will be equal to the sum of the amounts payable in relation to regulation and the financial products and services uplift, as set out by this determination.

### Amount payable in relation to regulation

5. (1) Subject to sub-paragraphs (2) and (3), authorised businesses shall pay an amount equal to 0.90% of annual turnover up to £1 million, plus 0.80% of annual turnover between £1 million and £5 million, plus 0.75% of annual turnover above £5 million.
  - (2) The fee under sub-paragraph (1) shall be no more than £150,000.
  - (3) Where the annual turnover of a business is £88,889 or less, then the amount payable will be a fixed fee of –

<b>Annual Turnover of Authorised Business</b>	<b>Annual Fee Payable</b>
Under £5,000	£200
£5,000 - £14,999	£350
£15,000 - £24,999	£500
£25,000 - £74,999	£650
£75,000 - £88,889	£800

### Pro rata calculation of amount payable in relation to regulation

6. Where an authorisation is given which has effect from a date on or after 1 April 2016, the fee shall be one twelfth of the sum calculated in accordance with paragraph 5 for each month or part of a month for which the Regulator has indicated that he is minded to authorise the business under the Act. This paragraph does not apply to any person who the Regulator is satisfied has been providing regulated claims management services prior to being authorised.
7. Where the Regulator is satisfied that the business or those who control the business have previously had control of another authorised business then the Regulator may require the business to pay an annual fee calculated by reference to the annual turnover of all of those authorised businesses.

### **Adjustments**

8. Where an applicant has reported an annual turnover figure based on estimated turnover to 30 November 2016 and the actual annual turnover is more than the estimated turnover, an additional charge shall be levied based on actual annual turnover to 30 November 2016.

### **Financial products and services uplift**

9. (1) Subject to sub-paragraph (2), authorised businesses shall pay an amount equal to 0.145% of annual turnover they received from regulated claims management services in relation to financial products and services.  
(2) The fee under sub-paragraph (1) shall be no more than £150,000.

### **Pro rata calculation of financial products and services uplift**

10. Where an authorisation is given which has effect from a date on or after 1 April 2016 or an authorised business begins to carry out regulated activities in relation to financial products and services, from a date on or after 1 April 2016, the fee shall be one twelfth of the sum calculated in accordance with paragraph 9 for each month or part of a month for which the Regulator has indicated that he is minded to authorise the business under the Act. This paragraph does not apply to any person who the Regulator is satisfied has been providing regulated claims management services prior to being authorised.
11. Where the Regulator is satisfied that the business or those who control the business have previously had control of another authorised business then the Regulator may require the business to pay an annual fee calculated by reference to the annual turnover in relation to financial products and services of all those authorised businesses.

### **Adjustments**

12. Where an applicant has reported an annual turnover figure in relation to financial products or services based on estimated turnover to 30 November 2016 and the actual annual turnover in relation to financial products or services is more than the estimated turnover, an additional charge shall be levied based on actual annual turnover to 30 November 2016.

### **Compliance**

13. Where the authorised business does not provide the annual turnover figures requested, the Regulator may use the previous year's actual or estimated annual turnover figure to calculate and issue an invoice pending the information required being supplied.

### **Kevin Rousell**

(Head of Claims Management Regulation)

## Annex B – Claims Management Regulatory Consultative Group

**Advisory, Conciliation and Arbitration Service (ACAS)**  
[www.acas.org.uk](http://www.acas.org.uk)

**Advertising Standards Authority (ASA)** [www.asa.org.uk](http://www.asa.org.uk)

**Association of Regulated Claims Management Companies (ARC)**  
[www.arcmc.org.uk/](http://www.arcmc.org.uk/)

**Association of British Insurers (ABI)** [www.abi.org.uk](http://www.abi.org.uk)

**Association of Professional Financial Advisers (APFA)**  
[www.apfa.net](http://www.apfa.net)

**Association of Mortgage Intermediaries (AIM)**  
[www.a-m-i.org.uk](http://www.a-m-i.org.uk)

**Association of Personal Injury Lawyers (APIL)** [www.apil.org.uk](http://www.apil.org.uk)

**British Bankers Association (BBA)**  
[www.bba.org.uk](http://www.bba.org.uk)

**British Insurers Brokers' Association (BIBA)** [www.biba.org.uk](http://www.biba.org.uk)

**Building Societies Association (BSA)** [www.bsa.org.uk](http://www.bsa.org.uk)

**Citizens Advice Bureau (CAB)**  
[www.citizensadvice.org.uk](http://www.citizensadvice.org.uk)

**Claims Standards Council (CSC)**  
[www.claimscouncil.org](http://www.claimscouncil.org)

**Council of Mortgage Lenders (CML)** [www.cml.org.uk](http://www.cml.org.uk)

**Employment Appeal Tribunal**  
[www.employmentappeals.gov.uk](http://www.employmentappeals.gov.uk)

**Employment Tribunals**  
[www.justice.gov.uk/tribunals/employment](http://www.justice.gov.uk/tribunals/employment)

**Financial Conduct Authority**  
[www.fca.org.uk/](http://www.fca.org.uk/)

**Financial and Leasing Association (FLA)** [www.fla.org.uk](http://www.fla.org.uk)

**Financial Ombudsman Service**  
[www.financial-ombudsman.org.uk](http://www.financial-ombudsman.org.uk)

**Financial Services Compensation Scheme (FSCS)** [www.fscs.org.uk](http://www.fscs.org.uk)

**Law Society**  
[www.lawsociety.org.uk](http://www.lawsociety.org.uk)

**Legal Ombudsman**  
[www.legalombudsman.org.uk](http://www.legalombudsman.org.uk)

**Motoring Accident Solicitors (MASS)** [www.mass.org.uk](http://www.mass.org.uk)

**Ofcom** [www.ofcom.org.uk](http://www.ofcom.org.uk)

**Professional Financial Claims Association (PFCA)**,  
[www.pfca.org.uk/](http://www.pfca.org.uk/)

**Solicitors Regulation Authority (SRA)** [www.sra.org.uk](http://www.sra.org.uk)

**The Direct Marketing Association Ltd (DMA)** [www.dma.org.uk](http://www.dma.org.uk)

**UK Cards Association**  
[www.theukcardsassociation.org.uk](http://www.theukcardsassociation.org.uk)

**TUC** [www.tuc.org.uk](http://www.tuc.org.uk)

**Which?** [www.which.co.uk](http://www.which.co.uk)

## Annex C – The Proposals – A Working Example

		2016-2017 Proposals		
CMC total turnover	CMC financial services turnover	Annual Reg fee	FPS fee	Total CMR fee
£	£	£	£	£
40,000,000	-	150,000	-	150,000
25,000,000	25,000,000	150,000	36,250	186,250
10,000,000	-	78,500	-	78,500
10,000,000	10,000,000	78,500	14,500	93,000
1,000,000	-	9,000	-	9,000
1,000,000	1,000,000	9,000	1,450	10,450
500,000	-	4,500	-	4,500
500,000	500,000	4,500	725	5,225
100,000	-	900	-	900
100,000	100,000	900	145	1,045
50,000	-	650	-	650
50,000	50,000	650	73	723
20,000	-	500	-	500
20,000	20,000	500	29	529
10,000	-	350	-	350
10,000	10,000	350	14	364
2,500	-	200	-	200
2,500	2,500	200	4	204