

Financial Guidance and Claims Bill [HL]

AMENDMENTS
TO BE MOVED
ON THIRD READING

Clause 2

BARONESS FINLAY OF LLANDAFF

Page 3, line 18, at end insert “including people in vulnerable circumstances”

After Clause 21

BARONESS BUSCOMBE

In substitution for the amendment tabled on sheet HL Bill 70(b)

Insert the following new Clause—

“PPI claims: interim restriction on charges before transfer of regulation to FCA

- (1) A regulated person —
 - (a) must not charge a claimant, for regulated claims management services provided in connection with the claimant’s PPI claim, an amount which exceeds the fee cap for the claim, and
 - (b) must not enter into an agreement that provides for the payment by a claimant, for regulated claims management services provided in connection with the claimant’s PPI claim, of charges which would breach, or are capable of breaching, the prohibition in paragraph (a).
- (2) A breach of either of those prohibitions is not actionable as a breach of statutory duty; but—
 - (a) any payment in excess of the fee cap for a PPI claim is recoverable by the claimant, and
 - (b) any agreement entered into in breach of subsection (1)(b) is not enforceable to the extent it provides for a payment that breaches or is capable of breaching the prohibition in subsection (1)(a).
- (3) In subsection (2) “payment” means a payment of charges for regulated claims management services provided in connection with the claim.
- (4) A relevant regulator—
 - (a) must ensure that it has appropriate arrangements for monitoring and enforcing the prohibitions in subsection (1) as they apply to the regulated persons for whom it is the relevant regulator;

After Clause 21 - continued

- (b) may make rules for the purposes of doing so (which may include provision applying, in relation to breaches of a prohibition in subsection (1), functions the relevant regulator has in relation to breaches of another restriction).
- (5) For the purposes of this section –
- (a) “regulated person” means –
- (i) a person who falls within any category of regulated person specified in column 2 below, or
 - (ii) any person not within sub-paragraph (i) who, by virtue of article 4 of the Compensation (Exemptions) Order 2007 (S.I. 2007/209), is not prevented by section 4(1) of the Compensation Act 2006 from providing regulated claims management services;
- (b) “relevant regulator” means a person listed in column 1 below; and
- (c) the regulated persons for whom a person listed in column 1 below is the relevant regulator are described in the corresponding entry or entries in column 2.

<i>Relevant regulator</i>	<i>Regulated persons</i>
The Regulator	Persons authorised to provide regulated claims management services under section 5(1)(a) of the Compensation Act 2006.
The General Council of the Bar	<ol style="list-style-type: none"> 1. Persons who, or licensable bodies which, are authorised by the General Council to carry on a reserved legal activity. 2. European lawyers registered with the General Council under the European Communities (Lawyer’s Practice) Regulations 2000 (S.I. 2000/1119).
The Law Society of England and Wales	<ol style="list-style-type: none"> 1. Persons who, or licensable bodies which, are authorised by the Law Society to carry on a reserved legal activity. 2. European lawyers registered with the Law Society under the European Communities (Lawyer’s Practice) Regulations 2000. 3. Foreign lawyers registered with the Law Society under section 89 of the Courts and Legal Services Act 1990.
The Chartered Institute of Legal Executives	Persons authorised by the Institute to carry on a reserved legal activity.

After Clause 21 - continued

- (6) In column 1 “the Regulator” means the person designated under section 5(1) of the Compensation Act 2006, or, if no person is so designated, the Secretary of State.
- (7) In column 2 “reserved legal activity” has the meaning given by section 12 of the Legal Services Act 2007.
- (8) This section applies as follows –
 - (a) the prohibition in subsection (1)(a) applies only to charges imposed under an agreement entered into during the first interim period, and
 - (b) the prohibition in subsection (1)(b) applies only to agreements entered into during that period.
- (9) In subsection (8) “the first interim period” is the period –
 - (a) beginning with the day on which this section comes into force, and
 - (b) ending with the day before the day on which the first section 22(1B) specified activity provisions come into force for (or for purposes which include) the purposes of the general prohibition in section 19 of the Financial Services and Markets Act 2000.”

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15 November 2017
