

**FEES MANUAL (FINANCIAL OMBUDSMAN SERVICE REPRESENTATIVE
CASE FEES) INSTRUMENT 2025**

Powers exercised by the Financial Ombudsman Service Limited

A. The Financial Ombudsman Service Limited:

- (1) makes and amends the scheme rules and guidance relating to the payment of fees under the Compulsory Jurisdiction;
- (2) makes and amends the rules and guidance for the Voluntary Jurisdiction; and
- (3) fixes and varies the standard terms for Voluntary Jurisdiction participants,

as set out in the Annexes to this instrument, in the exercise of the following powers and related provisions in the Financial Services and Markets Act 2000:

- (a) section 227 (Voluntary jurisdiction);
- (b) paragraph 8 (Information, advice and guidance) of Schedule 17 (The Ombudsman Scheme);
- (c) paragraph 14 (The scheme operator's rules) of Schedule 17;
- (d) paragraph 15 (Fees) of Schedule 17;
- (e) paragraph 18 (Terms of reference to the scheme) of Schedule 17; and
- (f) paragraph 20 (Voluntary jurisdiction rules: procedure) of Schedule 17.

B. The making and amendment of the rules and the fixing and varying of the standard terms by the Financial Ombudsman Service Limited, as set out in paragraph A above, is subject to the consent and approval of the Financial Conduct Authority.

Consent and approval by the Financial Conduct Authority

C. The Financial Conduct Authority consents to the making and amendment of the scheme rules and approves the making and amendment of the Voluntary Jurisdiction rules and the fixing and varying of the standard terms by the Financial Ombudsman Service Limited, as set out in the Annexes to this instrument.

Commencement

D. This instrument comes into force on 1 April 2025.

Amendments to the Handbook

E. The modules of the FCA's Handbook of rules and guidance listed in column (1) below are amended by the Board of the Financial Ombudsman Service Limited in accordance with the Annexes to this instrument listed in column (2):

(1)	(2)
Glossary of definitions	Annex A
Fees manual (FEES)	Annex B
Dispute Resolution: Complaints sourcebook (DISP)	Annex C

Citation

- F. This instrument may be cited as the Fees Manual (Financial Ombudsman Service Representative Case Fees) Instrument 2025.

By order of the Board of the Financial Ombudsman Service Limited
28 January 2025

By order of the Board of the Financial Conduct Authority
20 January 2025

Annex A

Amendments to the Glossary of definitions

Insert the following new definition in the appropriate alphabetical position. The text is not underlined.

complainant representative a person specified under regulation 3 of the Financial Services and Markets Act 2000 (Ombudsman Scheme) (Fees) Regulations 2024 (SI 2024/1264).

Annex B

Amendments to the Fees manual (FEES)

In this Annex, underlining indicates new text and striking through indicates deleted text, unless otherwise specified.

5 Financial Ombudsman Service Funding

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5.5B Case fees

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Standard case fee

5.5B.12 R ~~A~~ Subject to FEES 5.5B.12AR, 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.12 R Where a *chargeable case* is closed by the *Financial Ombudsman Service* during a *financial year* in circumstances:
A

- (1) where the *complaint* was referred to the *Financial Ombudsman Service* on or after 1 April 2025;
- (2) where a *complainant representative* was representing the complainant in relation to that *complaint*; and
- (3) other than having been closed as a change in outcome in favour of the complainant.

the *respondent* to which that *chargeable case* relates must instead pay to the *FOS Ltd* the reduced standard case fee specified in *FEES 5 Annex 3R Part 1* in respect of each such *chargeable case*, unless the *respondent* is identified as part of a *charging group* as defined in *FEES 5 Annex 3R Part 3*.

5.5B.12 G *FEES 5.5B.12AR* applies, for example, where the *complaint* is closed by the *Financial Ombudsman Service* with an outcome that is not more favourable for the complainant compared to when the *complaint* was referred to the *Financial Ombudsman Service*, including where the *complaint* is closed as out of jurisdiction, dismissed or withdrawn.
B

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Late payment of case fees

- 5.5B.25 R If a *respondent* does not pay a case fee payable under *FEES 5.5B* in full to the *FOS Ltd* before the end of the date on which it is due, that *respondent* must pay to the *FOS Ltd* in addition:
- (1) ~~an administrative fee of £250; plus [deleted]~~
 - (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; and
 - (3) an administrative fee of up to 25% of the amount outstanding at that time, in the event the *FOS Ltd* needs to take steps to recover any amounts payable to it under *FEES 5.5B*.

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Time limit for making a claim for the remission or repayment of case fees

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5.5B.29 R ...

5.5B.30 R If it appears to the *FOS Ltd* that in the exceptional circumstances of a particular case the payment of any case fee under *FEES 5.5B* would be inequitable, the *FOS Ltd* may reduce or remit all or part of the case fee in question which would otherwise be payable.

Insert the following new section, FEES 5.5C, immediately after FEES 5.5B (Case fees). The text is all new and is not underlined.

5.5C Representative case fees

Application

- 5.5C.1 R *FEES 5.5C* applies to a *complainant representative* in relation to a *complaint* referred to the *Financial Ombudsman Service*.
- 5.5C.2 G *FEES 5.5C* does not apply to the *Voluntary Jurisdiction*.

Purpose

- 5.5C.3 G *FEES 5.5C* sets out when a *complainant representative* that is representing a complainant must pay fees in respect of *complaints* referred to the *Financial Ombudsman Service*.
- 5.5C.4 G The amount of the representative case fee will be subject to consultation each year.

Representative case fee

- 5.5C.5 R (1) Subject to *FEES 5.5C.6R*, a *complainant representative* must pay to the *FOS Ltd* a representative case fee of £250 in respect of a *complaint* which is referred to the *Financial Ombudsman Service* on or after 1 April 2025.
- (2) A representative case fee payable pursuant to paragraph (1) must be paid:
- (a) at the time a *complaint* is referred to the *Financial Ombudsman Service* if the *complainant representative* is representing the complainant at the time the *complaint* is referred; or
- (b) subject to paragraph (3) below, at the time a *complainant representative* begins to represent the complainant in respect of a *complaint* that has already been referred to the *Financial Ombudsman Service*.
- (3) A *complainant representative* will not be liable for the representative case fee under paragraph (1) above if:
- (a) the representative case fee in relation to the *complaint* has been paid by a *complainant representative* who was previously representing the complainant in respect of the same *complaint*; or
- (b) the *complainant representative* is acting entirely pro bono in relation to the *complaint*.
- 5.5C.6 R A *complainant representative* will, in any *financial year*, only be liable for, and the *FOS Ltd* will only invoice for, the representative case fee under *FEES 5.5C.5R* in respect of the 11th and subsequent *complaints* that are referred to the *Financial Ombudsman Service*.
- 5.5C.7 G *FEES 5.5C.5R(3)(b)* applies where a *complainant representative* is representing the complainant without any fees, charges or other form of remuneration becoming payable by the complainant in any circumstance.
- 5.5C.8 R In relation to any *complaint* which is closed by the *Financial Ombudsman Service* as a change in outcome in favour of the *complainant*, the *FOS Ltd* will credit the amount of £175 to the *complainant representative*.
- 5.5C.9 G *FEES 5.5C.8R* applies, for example, where the *complaint* is closed by the *Financial Ombudsman Service* with an outcome that is more favourable for the complainant compared to when the *complaint* was referred to the *Financial Ombudsman Service*.
- 5.5C.10 R A *complainant representative* must pay to the *FOS Ltd* any representative case fee which it is liable to pay under *FEES 5.5C* and which is invoiced by

the *FOS Ltd* within 30 calendar *days* of the date when the invoice is issued by the *FOS Ltd*.

- 5.5C.11 R If, at the end of the *financial year*, the amount standing in credit to the *complainant representative* under *FEES 5.5C.8R* exceeds the amounts invoiced under *FEES 5.5C.10R* which remain unpaid (including any interest or administrative fee due under *FEES 5.5C.12R*), the *FOS Ltd* will repay the difference between the 2 amounts to the *complainant representative* by credit transfer within 30 calendar *days* of the *complainant representative* notifying the *FOS Ltd* of its account details.

Late payment of representative case fee

- 5.5C.12 R If a *complainant representative* does not pay a representative case fee payable under *FEES 5.5C* in full to the *FOS Ltd* before the end of the date on which it is due, that *complainant representative* must pay to the *FOS Ltd* in addition:
- (1) 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; and
 - (2) an administrative fee of up to 25% of the amount outstanding at that time, in the event the *FOS Ltd* needs to take steps to recover any amounts payable to it under *FEES 5.5C*.

- 5.5C.13 G The *FOS Ltd* may take steps to recover any amount owed to it (including interest).

Time limit for making a claim for the remission or repayment of representative case fees

- 5.5C.14 R No claim for the remission or repayment of all or part of the representative case fee payable under *FEES 5.5C* (or any interest or administrative fee due under *FEES 5.5C.12R* in relation to it) may be made to *FOS Ltd* more than 1 year after the date on which the *complaint* was closed (irrespective of when or whether the amounts in question were paid to *FOS Ltd*).
- 5.5C.15 R The *FOS Ltd* may allow a claim to be made outside the time limits prescribed in *FEES 5.5C.14R* if it is satisfied that the failure to make a claim within the time limits prescribed was as a result of exceptional circumstances.
- 5.5C.16 R If it appears to the *FOS Ltd* that in the exceptional circumstances of a particular case the payment of any representative case fee under *FEES 5.5C* would be inequitable, the *FOS Ltd* may reduce or remit all or part of the representative case fee in question which would otherwise be payable.

Amend the following as shown.

5 Annex 3R Case Fees Payable for 2024/25

Part 1 – Standard case fees

	Standard case fee
In the: Compulsory jurisdiction and Voluntary jurisdiction	£650 unless it is a <i>not-for-profit debt advice body</i> with <i>limited permission</i> in which case the amount payable is £0
	<u>Reduced standard case fee</u>
<u>In the:</u> <u>Compulsory jurisdiction</u> <u>(where FEES 5.5B.12AR</u> <u>applies)</u>	<u>£475</u> <u>unless it is a <i>not-for-profit debt advice body</i> with</u> <u><i>limited permission</i> in which case the amount payable</u> <u>is £0</u>

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Part 4 – Special case fees	
The special case fee shall be calculated and paid as follows:	
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3	The special case fee for each <i>charging group</i> is a total amount calculated as follows:
	{£650 x 225,000 x the ‘Proportion Z’ }
4	The <i>FOS Ltd</i> will invoice each <i>charging group</i> for the special case fee (calculated as above) in four equal instalments, payable in advance on the following dates during the <i>financial year</i> : (1) 1 April (or, if later, when <i>FOS Ltd</i> has sent the invoice); (2) 1 July; (3) 1 October; and (4) 1 January.
5	Year-end adjustment:
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<p>(2) If, had they been liable to standard case fees as provided under <i>FEES 5.5B.12R</i> and <i>FEES 5.5B.12AR</i>, the actual number of standard case fees that <i>group respondents</i> would have been charged in respect of <i>chargeable cases</i> closed by the <i>Financial Ombudsman Service</i> in respect of group respondents during the <i>financial year</i> is <u>of an amount that is</u> more than 105% of {£650 x 225,000 x the 'Proportion Z' }:</p> <p>(a) the <i>FOS Ltd</i> will invoice the <i>relevant charging group</i> <u>for</u>; and</p> <p>(b) the <i>relevant charging group</i> will pay to <i>FOS Ltd</i>; an additional £65,000 for each block of 100 (or part thereof) closed <i>chargeable cases</i> <u>the amount that is</u> over the 105%.</p>
<p>(3) If, had they been liable to standard case fees as provided under <i>FEES 5.5B.12R</i> and <i>FEES 5.5B.12AR</i>, the actual number of standard case fees that <i>group respondents</i> would have been charged in respect of <i>chargeable cases</i> closed by the <i>Financial Ombudsman Service</i> in respect of group respondents during the <i>financial year</i> is <u>of an amount that is</u> less than 95% of {£650 x 225,000 x the 'Proportion Z' }, the <i>FOS Ltd</i> will promptly repay to the <i>relevant charging group</i> £65,000 for each block of 100 (or part thereof) closed chargeable cases <u>the amount that is</u> under the 95%.</p>

Annex C

Amendments to the Dispute Resolution: Complaints sourcebook (DISP)

In this Annex, underlining indicates new text and striking through indicates deleted text.

4 Standard terms

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4.2 Standard terms

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Determinations and awards

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4.2.6 R The following provisions and *rules* in *FEES* apply to *VJ participants* as part of the *standard terms*, but substituting ‘*VJ participant*’ for ‘*firm*’ and ‘annual levy specified in *FEES* 5 Annex 2R’ for ‘*general levy*’:

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(7) *FEES* 5.5B (case fees); except *FEES* 5.5B.12AR and *FEES* 5.5B.12BG;

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