



**No Win – No Fee  
But at what cost if you win?**

You have a claim and need help. It might be a refund of Payment Protection Insurance premiums or you may be entitled to compensation for an injury. If you are a businessman or woman a bank might have mis-sold you an interest rate hedging product or moved you into special measures without justification and abused their power over you.

“No Win – No Fee” sounds attractive so you sign up with a claims management company. Then you win and work out how much you have to pay, and it seems disproportionate to the extent of the help you were given. But even if the matter has been finalised – possibly years go - if you have paid too much you may be able to get some money back.

We all understand that if, through ignorance or laziness, we agree to pay more for goods or a service than the goods or service are really worth that is our fault and we have to live with the consequences - usually. But this doesn't always apply. Sometimes there are laws which provide protection to consumers or owners of small businesses - and this applies where you have agreed to pay a percentage of your winnings. The law protects you by demanding that the claims management company explains to you, in writing, why they have set the percentage at the level that they have before you sign up with them.

At Congruent we have seen consumers or businessmen or women told they must pay 24%, 39%, or 48% of anything they win (in each case including VAT) before the claims management company has even found out details of your claim and assessed how much work they might have to do. This might amount to overcharging and you may be able to demand some of your money back.

Providing assistance, for financial reward, to a consumer or businessman or woman to help them pursue a claim in respect of financial products or services or for personal injury or for a number of other causes is, by law, a restricted activity. A lawyer can always do this but anybody else needs authorisation if they want to charge you for their services whether this is by way of a fee or on a no win – no fee basis. So if you have paid somebody who was not authorised they may have been acting illegally and you may be able to demand a refund of what you paid them.

At Congruent we deal in financial risk. This means we have to understand not only the financial risks to which consumers and businesses are subject, but also the financial risks to which the providers of services to consumers and businesses are subject and in this series of articles we will highlight different issues each month.

If you think, after reading this article, that you might be able to seek a refund please be aware that there may be conditions and time limits.

