
STATUTORY INSTRUMENTS

2018 No. 1253

**The Financial Services and Markets Act 2000
(Claims Management Activity) Order 2018**

PART 6

Consequential amendments, revocations and saving and supplemental provisions

CHAPTER 1

Amendment of primary legislation

Courts and Legal Services Act 1990

90. In section 58AA of the Courts and Legal Services Act 1990(1) (damages-based agreements), in subsection (7) for “Part 2 of the Compensation Act 2006 (see section 4(2) of that Act)” substitute “the Financial Services and Markets Act 2000 (see section 419A of that Act)”(2).

Financial Services and Markets Act 2000

91.—(1) The 2000 Act is amended as follows.

(2) In section 1G (meaning of “consumer”), in subsection 1—

- (a) in the words before paragraph (a) omit “who”;
- (b) in each of the paragraphs (a) to (e), at the beginning insert “who”;
- (c) at the end of paragraph (d) omit “or”;
- (d) at the end of paragraph (e) insert—

“; or

- (f) in respect of whom a person carries on an activity which is specified in article 89G of the Financial Services and Markets Act 2000 (Regulated Activities) Order 2001 (seeking out etc claims) whether that activity, as carried on by that person, is a regulated activity, or is, by reason of an exclusion provided for under the 2001 Order or the 2000 Act, not a regulated activity.”.

(3) In section 1I (meaning of “the UK financial system”) in paragraph (b) after “activities” insert “(including regulated claims management activities)”.

(4) In section 63E (certification of employees by relevant authorised person) in subsection (8) for the definition of “customer” substitute—

““customer”—

- (a) in relation to an authorised person, means a person who is using, or who is or may be contemplating using, any of the services provided by the authorised person; and

(1) 1990 c. 41. Section 58AA was inserted by the Coroners and Justice Act 2009 (c. 25), section 154.

(2) Section 419A was inserted by the Financial Guidance and Claims Act 2018 (c. 10), section 27(11).

- (b) in relation to an authorised person carrying on a regulated claims management activity, also means (so far as not included in paragraph (a)) a person who has or may have a claim within the meaning of section 419A in respect of which the authorised person is carrying on a regulated claims management activity.”
- (5) In section 327 (exemption from the general prohibition) after subsection (8) insert—
- “(9) The exemption in this section does not apply to the carrying on of a regulated claims management activity in Great Britain.”
- (6) In section 404E (meaning of “consumers”)—
- (a) in subsection (1)—
- (i) in the words before paragraph (a) omit “who”;
- (ii) in paragraphs (a) and (b), at the beginning insert “who”;
- (iii) at the end of paragraph (a) omit “or”;
- (iv) at the end of paragraph (b) insert—
- “; or
- (c) in respect of whom a person carries on an activity which is specified in article 89G of the Financial Services and Markets Act 2000 (Regulated Activities) Order 2001 (seeking out etc claims) whether that activity, as carried on by that person, is a regulated activity or is, by reason of an exclusion provided for under the 2001 Order or the 2000 Act, not a regulated activity.”;
- (b) in subsection (2) in paragraph (c) the words from “to engage” to the end become sub-paragraph (i) and at the end of that sub-paragraph insert—
- “; or
- (ii) to engage in claims management activity;”; and
- (c) in subsection (6) after the definition of “credit institution” insert—
- ““engage in claims management activity” has the meaning given by section 21;”.
- (7) In section 425A (consumers: regulated activities etc carried on by authorised persons), in subsection (2)—
- (a) in the words before paragraph (a) omit “who”;
- (b) in paragraphs (a) and (b), at the beginning insert “who”;
- (c) at the end of paragraph (b) omit “or”;
- (d) at the end of paragraph (c) insert—
- “; or
- (d) in respect of whom a person carries on an activity which is specified in article 89G of the Financial Services and Markets Act 2000 (Regulated Activities) Order 2001 (seeking out etc claims) whether that activity, as carried on by that person, is a regulated activity or is, by reason of an exclusion provided for under the 2001 Order or the 2000 Act, not a regulated activity.”.

Enterprise Act 2002

- 92.** In the Enterprise Act 2002(3)—

- (a) in Schedule 14, omit “Compensation Act 2006 (c. 29).”(4); and
- (b) in Schedule 15 omit “Compensation Act 2006 (c. 29).”.

Compensation Act 2006

- 93. Omit Part 2 of the Compensation Act 2006.

Tribunals, Courts and Enforcement Act 2007

94. In Schedule 6 to the Tribunals, Courts and Enforcement Act 2007(5), in Part 4 (tribunals for the purposes of section 30 (transfer of functions of certain tribunals)) omit the entry for the Claims Management Services Tribunal.

Legal Services Act 2007

- 95.—(1) The Legal Services Act 2007(6) is amended as follows.
- (2) In section 8 (the Consumer Panel), in subsection (5) for paragraph (e) substitute—
 - “(e) an authorised person (within the meaning given in section 31 of the Financial Services and Markets Act 2000 (authorised persons)) in relation to regulated claims management activity (within the meaning given by section 417(1) of that Act (definitions));”.
- (3) In section 122 (appointment of the Chief Ombudsman and assistant ombudsmen), for subsection (3) substitute—
 - “(3) It is a condition of appointment under subsection (1)(b) that the person appointed must not during the appointment carry on for or in expectation of any fee, gain or reward—
 - (a) any activity which is a reserved legal activity, or
 - (b) a regulated claims management activity (within the meaning given by section 417(1) of the Financial Services and Markets Act 2000 (definitions))”.
- (4) Omit section 161 (extension of Part 6 to claims management services).
- (5) In section 173 (the levy)—
 - (a) in subsection (5) omit paragraph (b); and
 - (b) in subsection (6)(b) omit the words from “or by virtue of” to the end.
- (6) Omit section 174A (OLC expenditure relating to claims management services)(7).
- (7) Omit section 187 and Schedule 19 (amendments of Part 2 of the Compensation Act 2006 (claims management services)).
- (8) In section 206 (Parliamentary control of orders and regulations), in subsection (4) omit paragraph (oa)(8).
- (9) In Schedule 1 (the Legal Services Board)—
 - (a) in paragraph 2—
 - (i) in sub-paragraph (3) for paragraph (b) substitute—
 - “(b) carry on a regulated claims management activity (within the meaning given by section 417(1) of the Financial Services and Markets Act 2000 (definitions)), or”;

(4) Those words were inserted in Schedule 14 and in Schedule 15 by [S.I. 2007/2977](#).

(5) [2007 c. 15](#).

(6) [2007 c. 29](#).

(7) Section 174A was inserted by the Financial Services (Banking Reform) Act 2013 (c. 33), section 140(4) and (5).

(8) Paragraph (oa) of section 206(4) was inserted by the Financial Services (Banking Reform) Act 2013, section 140(4) and (6).

(ii) in sub-paragraph (4) after paragraph (b) insert—

“(ba) an authorised person (within the meaning given in section 31 of the Financial Services and Markets Act 2000 (authorised persons)) in relation to regulated claims management activity (within the meaning given by section 417(1) of that Act (definitions));” and

(b) in paragraph 3, in sub-paragraph (l) for “Part 2 of the Compensation Act 2006 (c. 29)” substitute “section 419A of the Financial Services and Markets Act 2000 (c. 8)”.

(10) In Schedule 15 (the Office for Legal Complaints)—

(a) in paragraph 2, in sub-paragraph (3) after paragraph (a) insert—

“(aa) an authorised person (within the meaning given in section 31 of the Financial Services and Markets Act 2000 (authorised persons)) in relation to regulated claims management activity (within the meaning given by section 417(1) of that Act (definitions));” and

(b) in paragraph 4, in sub-paragraph (i) for “Part 2 of the Compensation Act 2006 (c. 29)” substitute “section 419A of the Financial Services and Markets Act 2000 (c. 8)”.

Legal Aid, Sentencing and Punishment of Offenders Act 2012

96. In the Legal Aid, Sentencing and Punishment of Offenders Act 2012⁽⁹⁾, in section 59 (regulators and regulated persons), in each table omit the entry relating to a person specified in the first column as “the Claims Management Regulator”.

Crime and Courts Act 2013

97. In Schedule 9 to the Crime and Courts Act 2013⁽¹⁰⁾ (single county court in England and Wales), in the list of provisions in paragraph 52(2) omit the entry “Compensation Act 2006: section 8(2)”.

Financial Services (Banking Reform) Act 2013

98.—(1) The Financial Services (Banking Reform) Act 2013⁽¹¹⁾ is amended as follows.

(2) Omit section 139 (power to impose penalties on persons providing claims management services).

(3) Omit section 140 (recovery of expenditure incurred by Office for Legal Complaints).

(4) In section 147(2) (extent) omit paragraphs (b) and (c).

⁽⁹⁾ 2012 c. 10.

⁽¹⁰⁾ 2013 c. 22.

⁽¹¹⁾ 2013 c. 33.