
STATUTORY INSTRUMENTS

2006 No. 3322

The Compensation (Claims Management Services) Regulations 2006

PART 10

CANCELLATION, SUSPENSION AND VARIATION OF AUTHORISATIONS

Cancellation etc of authorisations

46.—(1) Paragraph (2) applies if, after investigation of an alleged or suspected failure by an authorised person to comply with a condition of authorisation, the Regulator is satisfied that—

- (a) the person has failed to comply with the condition; and
- (b) cancellation, suspension or variation of the person's authorisation is appropriate.

(2) The Regulator may—

- (a) cancel the authorisation, or suspend it for a period; or
- (b) vary the authorisation by limiting the classes of claims management services that the person may undertake or provide, or otherwise varying the conditions of the authorisation (including by imposing an additional condition).

(3) The cancellation of, or the proposed suspension or variation of, the person's authorisation is appropriate for the purposes of paragraph (1)(b) only if the nature and seriousness of the person's failure to comply with the condition is such that, to protect the public, it is necessary to cancel the authorisation, suspend it for the proposed period or vary it in the proposed way, as the case may be.

(4) Before cancelling, suspending or varying an authorised person's authorisation, the Regulator must give written notice to the authorised person—

- (a) stating that the Regulator proposes to cancel, suspend or vary the authorisation, as the case may be;
- (b) in the case of suspension or variation, setting out the terms of the proposed suspension or variation;
- (c) setting out the reasons for the Regulator's decision, and a summary of the evidence on which the Regulator relies;
- (d) inviting the person to make a written submission in relation to the proposed cancellation, suspension or variation; and
- (e) specifying a reasonable period within which the person must do so.

(5) Before cancelling, suspending or varying the authorisation, the Regulator must take into account any submission made by the authorised person within the period allowed (or any further period allowed by the Regulator).

Procedure for cancellation etc

47.—(1) If the Regulator decides to cancel, suspend or vary an authorised person’s authorisation, the Regulator must give written notice to the authorised person of the cancellation, suspension or variation.

(2) The notice must specify a day as its earliest day of effect.

(3) The notice may be served by post, but if so must be served by a method that provides a record of its delivery.

(4) The cancellation, suspension or variation has effect from the later of—

(a) the day specified in it as its earliest day of effect; and

(b) either—

(i) if it is sent by electronic communication, the day it is taken to have been received under regulation 5(2); or

(ii) if it is sent or served in any other way, the day it is actually received by the authorised person.**(1)**

(1) The Tribunal has the power to suspend the operation of the Regulator’s decision—see the Act, s 11(4).