
Feedback on CP21

Quarterly Case Fees



Issued: 15 December 2022

Feedback on consultation paper 21

Issues

Currently, CIFO invoices case fees annually in arrears, save that it may issue an interim case fee invoice to any FSP that accumulates 10 or more case fees. This means that case fees are usually received long after work on the case has been completed.

Increasing the proportion of CIFO's funding that comes from case fees means that a larger proportion of CIFO's income would be deferred, and also increases the overall volatility of CIFO's funding.

Both factors have an impact on the prudent level of reserves that CIFO should hold. Reserves are funded out of the levy. To mitigate the impact, the board is considering the option of CIFO invoicing case fees quarterly in arrears.

Accordingly, we consulted on the option of moving to invoicing case fees quarterly in arrears. If adopted, the new arrangements would apply from 1 January 2023, with the first quarterly case fee invoices covering the quarter ending 31 March 2023.

We welcomed the views of stakeholders on this proposed change. The questions we asked were;

Q1: Do you agree that CIFO should move to invoicing case fees quarterly (rather than annually) in arrears.

Q2: Do you have any comments on the attached revised draft Guernsey and Jersey fee schemes?

Responses to the consultation

One response from an industry association was received after the deadline for comments but is included. The members were supportive of our proposed move to quarterly invoicing for case fees and had no further comment on the schedule.

What the CIFO board has decided

The CIFO board has decided that, for cases received by CIFO from 1 January 2023, a quarterly billing cycle will take place with the first quarterly billing commencing in April 2023 for the cases received from 1 January 2023 to 31 March 2023.
