

The complaint

Mr S is unhappy about the way Alwyn Insurance Company Limited ("Alwyn") dealt with a claim on a Landlord Legal Protection policy. Mr S says he was led to believe the policy would provide cover for assistance with tax issues. He was disappointed to later be told his policy would not provide any cover for an issue he was experiencing.

Any references to Alwyn are intended to include the actions of its agents.

What happened

The details of the complaint are well known to both parties so I won't repeat them in full again here. Instead, I'll focus on providing my reasons for my decision.

What I've decided – and why

I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint.

Having done so, I agree with the conclusion reached by the investigator that the case should be upheld, and compensation awarded to Mr S. I do so for the following reasons:

- I'm satisfied Mr S wasn't told he would have cover for the specific issue he was concerned about. General advice was provided that Ms S should return to Alwyn should matters progress and policy coverage could then be checked.
- While the policy Mr S had did cover tax issues, the issue Mr S wanted support with began before the policy started. I'm satisfied therefore Mr S was correctly told there was no policy cover, and his claim was declined fairly. Matters which start before the policy are excluded by the policy.
- Alwyn have accepted there was a delay of a month in letting Mr S know of the correct policy position and he therefore only had one day to respond to an urgent enquiry. I agree this would have caused upset and frustration to Mr S and therefore Alwyn should pay Mr S £150 compensation to reflect the impact of its delay here.
- I'm mindful that Mr S did have a previous legal expenses policy, but I'm similarly satisfied that policy did not provide any cover for tax issues, so Mr S' position in that respect is unchanged - he would have always needed to have paid solicitors' fees to assist him responding to the request for information. So, while there was a delay in Alwyn telling him there was no policy cover, I don't think it would be reasonable to require it to pay the legal fees Mr S incurred.

For the reasons set out above, I uphold this complaint. I think Alwyn's delay in confirming policy coverage caused Mr S trouble and upset and it should pay him £150 compensation to reflect this.

My final decision

My final decision is that I uphold Mr S's complaint against Alwyn Insurance Company Limited. I direct it to pay Mr S £150 compensation.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr S to accept or reject my decision before 4 July 2024.

Alison Gore
Ombudsman