

The complaint

Mr H complains about Fair Return Legal Services Limited (“FRL”) and their failure to progress his claim for a potentially mis-sold pension. Mr H also complains about FRL’s failure to communicate with him during the lifetime of the claim.

What happened

The claim and complaint circumstances are well known to both parties. So, I don’t intend to list them chronologically in detail. But to summarise, Mr H contacted FRL and instructed them to pursue a claim for a potentially mis-sold pension in early 2022. But he became unhappy with FRL’s lack of contact and progression of his claim. So, he raised a complaint about this.

FRL didn’t respond to Mr H’s complaint. So, he referred his complaint to the Claims Management Ombudsman.

Our investigator looked into the complaint and upheld it. They noted that despite several requests, FRL failed to provide our service with any information. So, they continued with their investigation making adverse inference to this failure where appropriate. Having done so, they thought FRL had failed to reasonably progress Mr H’s claim, while also failing to keep him fairly updated. So, to recognise this, they thought FRL should provide an update as soon as reasonably possible. And, that if no settlement had been received, Mr H should be able to cancel the agreement without charge. Finally, they thought FRL should pay Mr H £250 to recognise the distress and inconvenience he’d been caused by the lack of progression and contact.

FRL didn’t respond. And Mr H commented on the recommendation, explaining why he felt it was lenient. And he explained ultimately, he was looking for confirmation that he would be able to instruct another party to progress his claim. As both parties didn’t agree, the complaint was passed to me for a decision.

On 13 November 2024, I issued a provisional decision explaining my intention to uphold the complaint for broadly the same reasons as the investigator. But that my intended directions differed slightly. In that decision I said:

“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, it’s my intention to uphold the complaint for broadly the same reasons as the investigator. But the actions I think FRL should take differ slightly and I’ve used this decision to set out why, and how. I’ve focused my comments on what I think is relevant. If I haven’t commented on any specific point, it’s because I don’t believe it’s affected what I think is the right outcome.

Our investigator set out our services approach where a business fails to engage with our

process and provide requested information. So, I don't intend to set this out again. But to clarify, as FRL have failed to provide information to our service showing the progression they have made on the claim, and any attempts to contact Mr H with updates, I will assume that no progression was made following their instruction in early 2022.

And that they failed to communicate with Mr H despite his evidenced chaser emails after this time. Because of this, I'm satisfied FRL have acted unfairly and so, I've then turned to what I thinks FRL should do to reasonably put things right.

Putting things right

When thinking about what FRL should do to put things right, any award or direction I make is intended to place Mr H back in the position he would've been in, had FRL acted fairly in the first place.

In this situation, had FRL acted fairly, I think it's reasonable to assume that due to the length of time that has passed since their instruction, they would've progressed the claim to a conclusion for Mr H. And, that Mr H would've been kept reasonably informed of this.

By not doing so, Mr H has been left in a situation where he has been left wondering about the status of the claim and crucially, whether he was able to instruct another company if FRL no longer intended to proceed. I have no doubt this would've been frustrating for Mr H, and he's been inconvenienced when chasing FRL for confirmation, without reply.

To recognise the above, our investigator recommended FRL update Mr H, and allow him to cancel the agreement without penalty if no offer of settlement had been made. I note that this recommendation was made several months ago, with no update or confirmation of any settlement offer being provided.

So, based on the above, I think it's reasonable for me to assume there has been no offer of settlement. And because of this, I don't think it is appropriate for FRL to be given the opportunity to provide an update at this point. Instead, I intend to direct FRL to cancel the agreement, at no charge to Mr H, to ensure he is left with the opportunity to instruct another company to progress his claim should he wish to do so.

I note our investigator also recommended FRL pay Mr £250 for the inconvenience he has been caused. And I think this payment is a fair one, that falls in line with our services approach and what I would've directed, had it not already been put forward.

I think it fairly recognises the length of time Mr H has been left wondering on the status of his claim and also his lost opportunity of being able to contact another company to pursue the claim sooner. So, this is a payment I am also intending FRL to make.

I understand Mr H may feel this intended outcome is lenient, considering his circumstances. And I appreciate Mr H has concerns he may now not be within time to make his claim. At this point, I've seen no evidence to suggest this is the case. If Mr H does discover he has since been time barred due to the actions of FRL, he would be entitled to raise a further complaint to FRL about this, which our service would consider separately should this be required."

Responses

Neither party responded to my provisional decision by the deadline set. So, I've assumed they have no further comments to provide.

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 won't be changing my original conclusions and so, I'm upholding this complaint for the same reasons set out within my provisional decision, which is copied above.

Putting things right

For the reasons already set out to both parties, I don't think I've seen any evidence to suggest there has been an offer of settlement on Mr H's claim. So, considering the length of time the claim has been ongoing, I am now directing FRL to cancel the agreement, at no charge to Mr H, so he has the opportunity to instruct another company should he wish to do so.

And I am directing FRL to pay Mr H a compensatory payment of £250, to recognise the distress and inconvenience he's been caused by their lack of contact and failure to respond, resulting in him being left without any knowledge of how his claim was progressing, if at all.

My final decision

For the reasons outlined above, I uphold Mr H's complaint about Fair Return Legal Services Limited and I direct them to take the following action:

- Cancel the agreement at no charge to Mr H; and
- Pay Mr H £250 to recognise the distress and inconvenience he's been caused.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr H to accept or reject my decision before 26 December 2024.

Josh Haskey
Ombudsman