

## **The complaint**

Mr R complains about the way U K Insurance Limited (“UKI”) has treated him when handling a claim under his legal expenses insurance (“LEI”) policy.

Where I refer to UKI, this includes the actions of its agents and claims handlers for which it takes responsibility.

## **What happened**

The detailed background to this complaint is well known to both parties, so I’ll only summarise the key events here.

- In or around 2017, Mr R pursued a breach of contract claim under his LEI policy which is underwritten by UKI. He used a firm of solicitors, who I’ll refer to as ‘D’. Mr R was unhappy with the way D handled his legal claim and, in particular, that they’d deducted a sum of money from his claim settlement.
- In 2021, Mr R submitted a further claim to UKI to pursue D for professional negligence.
- UKI instructed its panel solicitors who, after obtaining the necessary information, concluded that the claim didn’t enjoy reasonable prospects of success. As this is a requirement for cover under the LEI policy, UKI declined the claim.
- Mr R wasn’t happy with this decision, so he made a complaint which he brought to our Service. And in 2023, an Ombudsman here determined that UKI was entitled to rely on the legal advice it had obtained. The complaint wasn’t upheld.
- Mr R made a further complaint about the service UKI provided when handling his claim. He said agents of UKI had been sarcastic and intentionally difficult on phone calls. He brought this complaint to our Service and an Investigator here determined that the £75 compensation UKI had offered was a fair resolution.
- In response to this complaint, UKI informed Mr R that it was no longer prepared to speak to him on the phone and all communication must be in writing. It said this was due to the complex history of his claim, and later said it was because of the frequency and duration of the calls.
- Mr R raised a complaint about this decision, which he brought to our Service. And in November 2024, an Ombudsman here determined it was unfair for UKI to withdraw telephone communication without notice and without giving Mr R the opportunity to reflect and change his approach to the calls. They instructed UKI to reinstate telephone communication but agreed it could limit this to two 30-minute calls per week with a designated point of contact.
- Mr R has brought a further complaint to our Service because he’s concerned about

the way UKI are treating him. I've summarised what I consider to be Mr R's key concerns:

- Staff members at UKI have made inappropriate comments to him both in writing and over the phone, he's been given incorrect information, and he hasn't had his questions answered. He says UKI's staff are biased and are discriminating against him.
  - He wasn't advised who his new point of contact was after the previous one said they weren't prepared to speak to him anymore. And he's unhappy about who's been appointed.
  - A system note was recorded against his case to say the policyholder had been 'banned' from speaking to UKI. This has caused distress to both him and his father, who is the policyholder.
  - He's been passed back and forth between UKI's claims handlers and its data rights team regarding information provided under a subject access request ("SAR").
  - He's been unable to instruct a barrister to challenge the negative prospects assessment given the time limits involved and UKI has failed to assist him.
  - UKI hasn't paid D for their work on his case and D has deducted money from his claim settlement.
  - UKI took six months to provide a response to his complaint.
- Our Investigator agreed there'd been some failings in the customer service UKI had provided to Mr R. But he was satisfied the compensation of £550 already paid was sufficient to put things right based on the impact it had.

As Mr R didn't agree with our Investigator, the complaint has been passed to me to decide.

### **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've reached the same outcome as our Investigator, and for broadly the same reasons. Before I explain why, I wish to acknowledge the parties' submissions in respect of this complaint. Whilst I've read them all, I won't comment in detail on every single point that has been made. Instead, I'll focus on the key points that are relevant to the outcome I've reached. That's in line with our remit, which is to resolve complaints promptly and with minimal formality.

At the outset I must be clear on the scope of this decision. I'm considering the way UKI has treated Mr R from January 2024 up to the date of the final response letter in January 2025, and I'll be focusing on the key points I've identified above.

The events which took place prior to January 2024 have already been determined by our Service. Mr R has had an Ombudsman's final determination on UKI's reliance on its panel solicitor's prospects assessment and its decision to limit calls to two 30-minute conversations per week. These complaints can't be revisited.

Any events which have happened since January 2025 which Mr R is concerned about will need to be raised to UKI directly in the first instance. And once Mr R has a final response – or if eight weeks passes without one – he can escalate those concerns to our Service.

### *Customer service*

There are instances where UKI has provided poor customer service, its staff members have been unprofessional and/or inappropriate, and its provided incorrect information. Examples of this are:

- On a call, Mr R was told by a staff member to “*get to the point*” on several occasions and that they’d “*gone through worse things*” than he had. He was interrupted and couldn’t finish asking his question.
- In an email, UKI highlighted to Mr R that all staff deserve to be treated with respect. But Mr R hadn’t, at that time, been disrespectful.
- Mr R was advised that UKI’s service standards were to respond to emails within ten working days, which is incorrect – it’s five working days.

UKI has accepted these failings and paid compensation. So I don’t need to make a finding on whether or not UKI has done something wrong here – it has. What I need to decide is whether it’s done enough to put things right based on the impact its action have caused.

Where a mistake has been made, it’s not our role to fine or punish a business. Instead, we’ll ensure the customer has been put back in the situation they would’ve been in had the mistake not occurred. And where that isn’t possible, we may direct a business to pay a compensation award which reflects the impact its actions have had on its customer.

I’ve no doubt Mr R would’ve experienced distress as a result of being spoken to in an unprofessional and disrespectful manner. And I can understand why he’d be aggrieved about being told to respect UKI’s staff when they hadn’t afforded him the same courtesy.

Mr R says the overall way he’s been treated amounts to discrimination. But UKI say any allegation of discrimination would need to be particularised and Mr R would need to tell it which protected characteristic applies.

To be clear, I can’t make a finding on whether Mr R has been discriminated against under the Equality Act 2010. Our service is an informal alternative to the courts, and only a court of law can make a legal finding based on the definitions set out within the Act. But I can consider whether UKI has treated Mr R fairly, and to do that I will take several things, including relevant law and regulations, into consideration.

Overall, I’m not satisfied UKI has treated Mr R fairly here so I’m upholding this complaint point. I think it’s clear that, given the history of Mr R’s complaints and the frequency / nature of his calls, UKI’s staff have lost patience with him. I agree with Mr R that he’s been made to feel like a nuisance. Whilst I appreciate UKI’s staff may find Mr R challenging to deal with, unprofessional and disrespectful comments aren’t acceptable. There are more appropriate ways for it to manage Mr R and any behaviour it may find challenging or unacceptable.

I don’t intend to award compensation for each individual complaint point. Instead, I’ll look at what’s gone wrong holistically and determine what amount of compensation is fair and reasonable at the end of my decision.

### *Point of contact*

As part of a previous complaint, UKI put a structured plan in place for telephone communication. This included a designated point of contact. But, in July 2024, Mr R's point of contact said they weren't prepared to speak to him anymore and he wasn't advised of who the new one would be.

UKI accepts it made a failing here and has paid compensation. So, again, I don't need to make a finding on whether it did something wrong. And I'll comment on compensation later.

However, I'm aware Mr R is unhappy with the person UKI has selected to be his point of contact as he believes they're biased. Ultimately, it's for UKI to determine who's most appropriate to handle Mr R's case. Whilst I'm aware of the concerns Mr R has raised, I haven't seen anything to suggest that it's inappropriate for this individual to be Mr R's point of contact.

#### *System note*

After UKI informed Mr R that it was no longer prepared to speak to him on the phone and all communication must be in writing, it recorded a note on its system to say the policyholder was 'banned' from speaking to its staff. Mr R discovered this after making a SAR.

I can understand why Mr R is upset by the language used here. Especially as, when telephone communication was first withdrawn, UKI said it was due to the complex history of Mr R's claim. So, the wording here seems particularly strong in the circumstances and I'm upholding this complaint point.

The policyholder of the LEI policy is Mr R's father. I can't consider any distress he's suffered as a result of this comment, as I don't have his consent to look into a complaint on his behalf. However, it's clear from context that the comment refers to Mr R as he is the one UKI 'banned' from speaking to it over the phone. So I'm satisfied any impact here is Mr R's.

#### *Handing of a SAR*

Mr R was passed back and forth between UKI's claims handlers and its data rights team for two months due to a misunderstanding regarding the information Mr R had requested under a SAR.

UKI accepts there's been a failing here and has paid compensation. So, again, I don't need to make a finding on whether it did something wrong. And I'll comment on compensation later.

#### *Ability to instruct a barrister*

As Mr R didn't agree with the prospects assessment provided by UKI's panel solicitor, the onus was on him to provide a legal challenge in the form of a barrister's opinion. I'm satisfied this has been communicated to him since August 2022 and UKI has provided details of its preferred chambers should Mr R wish to use them.

I understand Mr R says he couldn't get a barrister's opinion until he'd received the outcome of his complaint to the Legal Ombudsman. And once this was received, he only had one month left which was eaten up by UKI's poor claims handling.

I can't comment on what evidence Mr R needed in order to instruct a barrister to give an opinion on the prospects of his legal claim, as that's outside of my remit. But I haven't seen anything to show me that UKI's actions prevented him from seeking a legal assessment

once he'd received the Legal Ombudsman's outcome. Ultimately, it was his responsibility to obtain this assessment.

### *Paying D*

I understand D has submitted their bill of costs to UKI for its handling of Mr R's breach of contract claim. UKI has instructed a costs draftsman to determine what costs have been reasonably and necessarily incurred, as this is what the policy will cover. Unfortunately, D has failed to engage with the cost draftsman's findings and because of that, UKI has been unable to pay them.

I appreciate why Mr R is concerned. But UKI are entitled to assess the costs incurred to ensure they fall within the scope of the policy cover and it's not within UKI's control if D are failing to engage. So I can't fairly say UKI done anything wrong here.

I'm aware D has deducted money from Mr R's settlement. But, as our Service has previously told him, the actions of solicitors acting in their legal capacity aren't something that our rules allow us to look at. The solicitors are independent professionals with their own regulator and complaints procedures. I understand Mr R has received a determination from the Legal Ombudsman regarding these concerns.

### *Complaint handling*

Mr R made this complaint in June 2024. Under industry rules, UKI have eight weeks to investigate and respond to an expression of dissatisfaction. I understand it didn't provide a response until October 2024. And as Mr R wasn't satisfied with the investigation, the complaint was reopened, and a further response was issued in January 2025.

UKI has taken longer to deal with the complaint than it should have. That said, it's not within my remit to fine or punish a business for doing something wrong. As I've explained above, I need to consider the impact this had on Mr R. And I don't think there is any here.

I say this because Mr R is entitled to escalate his complaint to our Service if a response isn't issued after eight weeks has passed. He was made aware of this within UKI's acknowledgement email dated 1 July 2024 and in its eight week holding email dated 20 August 2024. It's also set out in his policy document under "how to make a complaint". So I'm satisfied Mr R was sufficiently aware of his rights to contact us in the absence of a response to his complaint.

### **Putting things right**

As I've explained above, we don't award compensation for each and every mistake or error a business has made. Rather, we'll look at the overall service provided holistically and make an award based on the impact this had on the customer.

Looking at the failings UKI has made as a whole, I'm satisfied the impact to Mr R is limited to his distress and inconvenience over a period of several months. I haven't identified any financial losses which I can fairly hold UKI responsible for. I'm also mindful that, whilst Mr R has certainly been treated unfairly in some of the interactions he's had with UKI as set out above, he didn't have any ongoing claims with UKI during the period of time I'm considering. So much of the contact he had with UKI was of his own accord and I can't agree it was always necessary or productive. I've kept this in mind when considering compensation.

It's difficult to put a figure on distress and inconvenience. Awarding compensation isn't an exact science; there is no way to quantify someone's feelings, and no amount of money can take away what someone has been through.

Overall, I'm satisfied the £550 compensation which UKI has already paid for the failings identified above is a fair resolution to put things right, based on the impact these had. So whilst I appreciate Mr R be disappointed with my decision, I won't be asking it to do anything more.

### **My final decision**

For the reasons I've explained, I don't uphold this complaint as I'm satisfied UKI has already put things right.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr R to accept or reject my decision before 24 November 2025.

Sheryl Sibley  
**Ombudsman**