

The complaint

Miss W complains that INTACT INSURANCE UK LIMITED (Intact) didn't appoint solicitors to pursue legal action for a personal injury claim on a legal expenses insurance policy

What happened

Miss W held a legal expenses insurance policy with Intact (although the policy documents refer to Intact's previous trading name) as an add-on to a motor insurance policy. She was injured in a road traffic incident which involved a third party and sought to make a claim for personal injury through the policy.

Intact said it would refer the matter to a solicitor. More than three years later Miss W was contacted by Intact to say the third party involved had accepted liability for the incident. Miss W asked about her personal injury claim but was told Intact had, in error, failed to notify solicitors. This meant the personal injury claim hadn't been progressed and it was now too late to make the claim.

Miss W complained to Intact who offered £150 compensation for its failure to appoint the solicitors. Miss W referred her complaint to our service, and our investigator thought Intact's offer was fair. Miss W didn't accept this and asked for an ombudsman's decision. She believes Intact should be asked to compensate her for the personal injury claim that couldn't be pursued because of its failure to appoint solicitors.

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.

It isn't disputed here that, as part of her cover for uninsured losses detailed in the policy terms and conditions, Intact told Miss W it would pass her details to solicitors so that a personal injury claim could be pursued. It's similarly not disputed that Intact didn't do so. It therefore seems to me that I need to consider the impact of that failure, and whether the £150 compensation offered is reasonable.

I accept that Intact made a significant error here. Miss W indicated she wanted to pursue a claim for her injuries and Intact said it would act to assist her in pursuing that claim. There's a time bar on these types of claims, which has now passed. Miss W can no longer take legal action for her personal injury, either privately or with funding from Intact.

Even though it's clear that the failure to appoint solicitors was a primary factor in Miss W being unable to pursue the legal action, I'm not persuaded that I should ask Intact to compensate the amount she'd have claimed for her injuries. I say this for a number of reasons.

Firstly, I think it's almost impossible to establish what compensation Miss W would have received if the claim had been progressed. What I can't do is say whether a claim would have been successful, or what compensation she'd have been awarded if so. If solicitors had

been appointed, they'd have assessed whether Miss W had reasonable prospects of success in pursuing the action, and whether the costs of taking action were proportionate to any likely award. That didn't happen, and I don't think I should ask Intact to now do this. Such a course of action would likely have needed Miss W to undergo assessments and discuss her claim with various people. For an action that now can't proceed due to the time bar, this would be an unnecessary inconvenience to Miss W.

I also have to consider that, despite indicating she wanted to pursue legal action, Miss W didn't chase this up with Intact at any point until after the relevant deadline had passed. I think it's fair to say that a reasonable course of action if seeking to pursue a claim for personal injury would be to contact Intact after a period of months had elapsed without any contact. I'm unsure how Miss W could reasonably have believed the action was proceeding in the absence of any contact over a period of more than three years from solicitors or Intact.

I think this, in particular, mitigates the effect of Intact's failure to appoint the solicitors. I'm satisfied it's reasonable to have expected Miss W to have contacted Intact at some point to enquire as to the progress of the claim much sooner than she did. If she'd done so, it's likely the claim could have been progressed within the time limit.

On balance therefore, I recognise that Intact made a significant error here. Its failure to appoint solicitors meant, ultimately, Miss W couldn't pursue the legal action. However, as I've said above, the impact is mitigated by Miss W's lack of action. I appreciate that Miss W was left very disappointed and upset by Intact's error, but I'm also conscious that she was unaware of this for a significant period of time. I think the £150 offered as compensation is reasonable in the circumstances.

My final decision

I don't uphold Miss W's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss W to accept or reject my decision before 5 December 2025.

Ben Williams
Ombudsman