

## **The complaint**

Miss J complains that Arthur J. Gallagher Insurance Brokers Limited mis-sold a legal expenses policy to her.

## **What happened**

Miss J owns a property that was let to tenants. She took out landlord's insurance to cover the building, together with some legal expenses insurance. The insurance was sold to her by Arthur J Gallagher in 2019 and she renewed it each year after that.

Miss J called Arthur J Gallagher to ask whether she could make a claim on the legal expenses cover; she was taking possession proceedings against the tenant and wanted to know if the policy would cover legal costs relating to this.

Arthur J Gallagher explained that she would need to speak to the business that administers the legal expenses cover, and passed her on to them.

Miss J's claim wasn't covered and she then complained to Arthur J Gallagher that the policy had been mis-sold. She was unhappy about the premiums she had been charged for the legal expenses policy, which she said was of no use to her, and about the lack of information provided about the policy.

Arthur J Gallagher said it hadn't done anything wrong in relation to the sale of the policy or the information that had been provided, and it wasn't responsible for deciding whether the claim should be covered.

Our investigator did not think the policy had been mis-sold. He said Arthur J Gallagher had provided clear information to Miss J about the policy, and any issues with the premium or the claim were the insurer's responsibility.

Miss J disagrees and has requested an ombudsman's decision. She says the policy excluded the costs of a possession order, which is a fundamental legal risk for a landlord, so it was never suitable for her and was arguably worthless.

## **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.

I've considered Miss J's comments carefully but I'm not persuaded the complaint should be upheld, for the following reasons:

- Arthur J Gallagher is a broker. It sold the insurance to Miss J but it doesn't provide the insurance cover – that's provided by the insurer.
- Miss J has referred to the premiums charged and the fact she wasn't able to claim on the policy for legal costs relating to the possession proceedings. The amount of premium charged, and decisions about whether a claim is covered, are the insurer's

responsibility. Arthur J Gallagher does not set the premium and is not responsible for any claims made on the policy. In this decision, I'm only considering the sale of the policy and can't make any decision about the claim Miss J made.

- Miss J is also unhappy about the policy being renewed automatically, but that wasn't raised in her complaint and Arthur J Gallagher hasn't had an opportunity to consider that. If she wishes that to be considered, she would need to raise it as a separate complaint.
- This complaint is that the policy was mis-sold to her; she says the policy wasn't suitable and was of no benefit to her at all.
- The focus of the complaint is the information provided to Miss J.
- This was not an advised sale – as the Statement of Fact that was provided when Miss J bought the policy explained:
  - “... we have not provided you with a recommendation, guidance or advice on whether the product(s) you have selected is the most suitable for your needs.*
  - It is for you to decide whether the product(s) meets your needs.*
  - We will have asked you some questions to narrow down the selection of products available, including any applicable extensions to the policy to ensure that you receive a competitive offer.*
  - Please ensure you read your documentation carefully to confirm that the cover meets your requirements, paying particular attention to exclusions, warranties, conditions, excesses and limits.”*
- This means Arthur J Gallagher wasn't making a detailed assessment of Miss J's needs and recommending something that would be suitable for her needs. Its responsibility was limited to ensuring Miss J was given appropriate information about the policy so she could make an informed decision about whether to buy it. The information provided to her needed to be clear, fair and not misleading.
- Miss J says the sales call has not been provided, and we can draw an adverse inference from that; if it was provided, it would support her complaint and, in particular, Arthur J Gallagher's failure to clearly disclose the exclusion relating to tenancy disputes.
- I don't have a recording of the original sales call but, given how long ago it was, I wouldn't expect it to still be available and I'm not making any adverse inference from that. I have seen the questions Arthur J Gallagher would ask and what a prospective customer would have been told about the legal expenses insurance cover.
- Miss J was also sent the policy documents. The legal expenses insurance only provides cover for certain risks. The documents set out the types of legal disputes that are covered, and say there's an exclusion for tenancy disputes. So she was given that information about what cover would (and would not) be available.
- Cover for possession claims and rent arrears is available separately, but Miss J didn't take out a policy that provides this. As this wasn't an advised sale, AJG didn't have to advise her on whether this policy was suitable or whether a different policy would be more suitable.
- Having reviewed the information given to Miss J, including the policy documents sent to her, I'm satisfied these set out the insured risks that are covered in a clear, fair and not misleading way, and Miss J had the information she needed to decide whether to take the policy.

**My final decision**

My decision is that I don't uphold the complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss J to accept or reject my decision before 7 November 2025.

Peter Whiteley  
**Ombudsman**