

The complaint

Mr S complains that U K Insurance Limited (UKI) told him it would only communicate with him by email. He's also unhappy with UKI's service in online chats.

Our contact with Mr S has been via his representative. But for simplicity I will refer to comments to and from the representative as being directly with Mr S.

What happened

Mr S has a car provided by a leasing service I'll refer to as M. UKI insures his car.

Prior to the events I'm considering as part of this complaint, UKI had told Mr S that it would not speak with him on the phone but he could use its online live chat service.

On 1 November 2024 Mr S contacted UKI using its chat service. He asked for information about hire car costs associated with a claim he'd made. UKI told him it couldn't give him that information. It said he should contact the hire company himself. UKI's chat handler then told Mr S he couldn't continue with the chat and ended it.

Soon after Mr S started another chat with UKI. He said he wanted a transcript of the earlier chat. The chat handler told Mr S that UKI's customer relations team had told her she couldn't continue the chat and ended it.

Four days later Mr S used UKI's chat service again. He asked for a copy of his policy documents to give to his solicitor. UKI said they would provide those.

Mr S started another chat around 40 minutes later. He said the previous call handler hadn't sent him the documents he'd asked for. UKI told him they would take two working days to produce. Mr S said he needed them urgently. The chat handler told him she'd make an urgent request for the documents. Shortly after she told Mr S she wasn't able to continue the chat.

Mr S complained about UKI's service. In reply, on 7 November 2024, UKI told Mr S that it had, mostly, handled the chats as it would expect. But it said that some of the chats had ended "prematurely" because of a misunderstanding about the restrictions on his contact. It apologised for that. It added that its live chat handlers would no longer assist him and gave him an email address to contact it. The next day UKI told Mr S it had decided that in future it would limit his option to contact it by email only.

Mr S brought his complaint about that to the Financial Ombudsman Service. One of our Investigators reviewed the complaint. She didn't agree UKI needed to do any more to resolve his complaint. Mr S didn't agree so the complaint was assigned to me to decide.

Provisional decision

On 11 September 2025 I issued a provisional decision. For ease of reference I've copied the relevant extracts below. I said:

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

Mr S has made a number of complaints to the Financial Ombudsman Service, in addition to this one, which we’ve looked at under different reference numbers. I’m aware that Mr S is unhappy with that approach and he feels we should look at his complaints concerning his issues with UKI and M in one consolidated complaint. But as my colleagues have previously told Mr S, our rules require us to consider each individual complaint on its merits and we can’t take the collective approach he wants. So, while I’ve taken the time to familiarise myself with Mr S’s other complaints about UKI and M, in this decision I will only make findings about the complaint I’ve summarised under the heading “The complaint” above.

UKI’s decision to restrict Mr S’s contact to email only

Mr S said that, given his specific circumstances and his accessibility needs, which UKI is aware of, removing the live chat option has had a disproportionate effect on him.

I understand that, as UKI does not allow Mr S to phone it, in order to have some form of direct interaction and, therefore, instant feedback, the chat service was the only option remaining to him. So removing it most likely meant he would have to wait longer for replies to queries.

I asked UKI to explain why it had removed access to this function as I hadn’t identified anything within the live chat transcripts it had shared with us that I thought could reasonably be viewed as unreasonable behaviour.

In reply UKI didn’t give any explanation or reasons. Instead it told us that it had not removed the chat option from Mr S and that this was a “misunderstanding”, which it said it had apologised for in its final response to his complaint. But unless UKI has sent another final response letter to Mr S that I haven’t seen, its recent replies to my questions, in my view, are not correct.

The evidence in UKI’s letters of November 2024 tell a different story to the recent replies given. Those letters show that it had removed the live chat option. In its final response of 7 November 2024, UKI did apologise that because of a misunderstanding some of its chats had ended prematurely. But it went on to say:

*“To clarify, going forward all communication between yourself and [UKI] needs to be conducted via email... Our telephony **and Live Chat teams** will no longer be able to assist with any queries.”*

I’ve added the emphasis in bold font to the quote above because it clearly tells Mr S that UKI’s live chat handlers will no longer help him.

Then, the next day, UKI sent Mr S another letter which said:

*“**The decision to move to email contact only** has been made at a senior level...”*

Once again I’ve added the bold to the wording above, but it clearly says that UKI’s made a decision to move to email only. And as the live chat service is not email that means it had removed the option of live chat for Mr S.

UKI has not explained the obvious differences between what it told Mr S in its letters of 7 and 8 November 2024 and what it’s told us recently. But I can only assume that – given it

has now clearly said that it had not removed the live chat function from Mr S and in fact he still has access to that service – then what it said about making a decision at a senior level was also wrong and a result of its misunderstanding.

So, unless UKI can show me evidence that Mr S has had unrestricted access to the live chat service since then it would seem to me that it has unfairly denied him access to a service he found useful.

I think this is a significant failing on UKI's behalf. That's because, given that replying to emails will not be instant, Mr S does not have another way he can contact UKI to be certain of a prompt reply. And he's told us that removing this option from him has "substantially hindered his ability to engage effectively" and has caused "unnecessary distress". He told us that it felt more like a "retaliatory" action rather than a "remedial" one. And I can understand that this unfair treatment would have been a source of distress to him which has been ongoing for many months now. I'm mindful he's told us this was at a time when he had other personally challenging matters to think about.

So I don't think UKI has dealt with Mr S fairly and reasonably when telling him that it had taken away the option of using the live chat service. And I think it needs to compensate him to address that.

Customer service during the chats

UKI has acknowledged that owing to a misunderstanding some of the chats ended prematurely. But, that aside, I think the chats were conducted reasonably. For the most part UKI's chat handlers answered Mr S's questions to the best of their ability and explained when he'd need to approach others for help. I don't think there was anything wrong with that.

Also when Mr S initially asked for policy documents he didn't say that was urgent so the chat handler arranged for some documents to be provided following UKI's usual process, I think that was fair in the circumstances.

UKI has apologised that some of the chats ended prematurely and I can understand that added to Mr S's frustration, so I've thought about the impact of that when awarding compensation below.

When awarding compensation I've considered the impact UKI's failings have had on Mr S, in light of the personal challenges he's told us about and the length of time this has affected him for."

I then said that I was minded to instruct UKI to reinstate Mr S's free access to the live chat service and pay him £500 compensation.

Developments

UKI accepted my provisional decision. Mr S said that I had not mentioned part of his complaint which was that UKI had shared allegations of unreasonable behaviour to M. he said he wanted any negative remarks removed.

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.

Both Mr S and UKI accepted my provisional decision concerning his access to the live chat service. So I don't intend to alter those.

However, Mr S also said that I hadn't dealt with his complaint about comments UKI made concerning his behaviour to M and the subsequent impact on him. But this was an issue my Ombudsman colleague dealt with when he issued a decision on one of Mr S's other complaints on 11 March 2025. He said:

"I've then turned to Mr S' concerns about the information shared between UKI and [M]. I've read through the policy terms and conditions, and I'm satisfied these make it reasonably clear that UKI and [M] will process, and if necessary share, personal information about mutual customers such as Mr S. Further to this, it sets out Mr S responsibilities under the terms of the policy and so, when UKI felt these may have been breached, I think it was fair for UKI to deem it necessary to inform [M], as a mutual party.

I must make it clear that any actions [M] choose to take on the back of receiving this information would be their own to take and any concerns surrounding these would need to be directed to [M] directly, as they are beyond UKI's control."

Once an Ombudsman issues a final decision the merit of that decision and the issues considered won't be overturned or expanded upon, meaning they can't be changed. No other ombudsman, no matter how senior can overturn another Ombudsman's decision. So, as another Ombudsman has already considered Mr S's concerns about UKI's communications with M, it's not a matter I will consider here.

Putting things right

I require UKI to:

- Reinstate Mr S's free access to the live chat service.
- Pay him £500 compensation. I'm satisfied that is a fair and reasonable sum in the circumstances as it reflects the considerable distress, upset, worry and inconvenience Mr S suffered as a result of UKI's mistakes and considering his challenging personal circumstances.

My final decision

For the reasons given above I require U K Insurance Limited to resolve this complaint by doing what I've explained under the heading "putting things right".

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr S to accept or reject my decision before 12 November 2025.

Joe Scott
Ombudsman