

The complaint

Mr D and Ms M complain ARAG Legal Expenses Insurance Limited (“ARAG”) handled their request for information unfairly when dealing with their legal expenses insurance (LEI) claim.

Any reference to ARAG includes the actions of its agents. As Ms M is leading on this complaint, I’ve referred to her throughout my decision.

What happened

The circumstances of this complaint are well known to both parties. They were also set out in a previous decision I issued, in which I determined which parts of Ms M’s complaint this Service could consider. So, I won’t reiterate matters in detail here.

In brief, this complaint is about ARAG’s failure to provide documentation Ms M requested in the summer of 2024, and the associated customer service. Ms M had requested correspondence between ARAG’s costing unit and the law firms involved in her claim.

ARAG, in its final response dated February 2025, accepted it didn’t meet Ms M’s request in a timely manner. It apologised for this, offered £75 compensation for the difficulties it had caused, and made a commitment to send the correspondence.

Because Ms M hadn’t received the documentation, she contacted ARAG again in March 2025. ARAG apologised again, sent the information and increased the compensation to £200 in total.

Our Investigator said the total compensation fairly reflected the impact of ARAG’s inaction. But Ms M disagreed. And so, the complaint has been passed to me for an Ombudsman’s decision.

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’s not in dispute ARAG didn’t meet Ms M’s request for information to be provided to her in a timely manner. Ms M has suggested this was partly due to ARAG purposely blocking her emails. I haven’t seen compelling evidence to support this. But in any event, Ms M sent – and ARAG received – enough emails to understand what information she wanted and why. And it’s accepted it let her down. I also agree it did. So, what I need to decide is whether ARAG has responded to the complaint fairly.

To put things right, ARAG apologised for not sending the information and sent the information it had to Ms M. It also offered £200 compensation to reflect the impact its inaction had on her.

Understandably, not receiving the information she’d asked for - and having to chase the matter up several times - was frustrating and inconvenient for Ms M. Especially against the

backdrop of what was already a challenging time for her.

However, I'm satisfied £200 was a fair award at the time. This is because there wasn't evidence of Ms M having suffered consequential losses as a direct result of ARAG's failure to provide the information. I say this because in an email Ms M sent to ARAG – five days before it increased the compensation – she said the compensation should be increased to reflect the “potential” prejudice to court proceedings she was taking against her solicitor. So, any prejudice hadn't been realised at this time.

I recognise Ms M considers £200 compensation to be wholly insufficient as she believes ARAG to have allowed costs to be incurred above the policy's indemnity limit. But the compensation isn't to do with that issue – it's solely to do with ARAG's failure to send information she'd asked for. And in this respect, I'm satisfied £200 is fair and reasonable in the circumstances.

My final decision

My final decision is I uphold this complaint and ARAG Legal Expenses Insurance Limited must pay Mr D and Ms M £200 compensation in total.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr D and Ms M to accept or reject my decision before 11 December 2025.

Nicola Beakhust
Ombudsman