

The complaint

Mr B has complained that Financial & Legal Insurance Company Ltd (F&L) failed to progress a claim he made on his excess protection policy.

All references to F&L include its agents.

What happened

Mr B was involved in a road traffic accident in October 2024 and made a claim on his motor insurance policy. His motor insurer charged him a £1,250 policy excess which Mr B then made a claim for, under his excess protection policy with F&L in January 2025.

F&L said it would review the claim and passed it on to one of its agents. Mr B chased F&L over a number of months for updates but it said the claim was still with its validation team.

Mr B then raised a complaint which F&L upheld in March 2025. It acknowledged that there had been delays and said the matter was being escalated. It offered Mr B £100 compensation for the distress and inconvenience it caused him and apologised for its service.

Unhappy with F&L's response and the lack of progress Mr B brought the complaint to our service in March 2025.

Mr B remained unhappy with the lack of progress and the fact that there was no confirmation as to the status of his claim. He raised a further complaint which F&L responded to in May 2025 but which it didn't uphold. It said that the matter was still with its validation team and that it was still waiting for an update.

One of our investigators reviewed the complaint and thought F&L should pay Mr B a further £100 compensation for the delays it caused and for its poor communication and lack of meaningful updates. Our investigator also noted that in its notes F&L said that it had tried to arrange an interview with Mr B in March 2025 but he refused. Our investigator urged Mr B to contact F&L to make new arrangements for this.

Mr B disagreed with our investigator's view. He said that he didn't refuse to be interviewed and that an interview had been arranged but F&L's investigator failed to attend. Mr B also didn't think the compensation awarded was sufficient and he said he wanted two claims he had which were still outstanding to be paid. He added that he wanted £2,000 per claim, not just the £1,250 excess amount, to account for the fact that they had been outstanding for a long period of time. Mr B said he is registered disabled and that the non-recovery of his excesses has had a significant financial impact on him.

Our investigator made enquiries regarding the second claim Mr B was referring to. This was regarding an accident which took place in May 2023. F&L confirmed it was declined because it was made within the first 30 days of the policy being taken out and therefore excluded under the terms and conditions. It added that there was a nine month gap between Mr B's previous excess protection policy and the one that was in place when the claim was made. It provided a copy of an email sent to Mr B in October 2023 to let him know the claim had been declined.

Our investigator reviewed the matter again but didn't change his original view that F&L must pay Mr B a further £100 compensation. He also confirmed that his view considered the issues addressed in the March and May 2025 final response letters which were both regarding the October 2024 claim, not other claims made by Mr B prior to it. Our investigator said Mr B would have to raise a new complaint if he wanted those issues to be considered.

F&L accepted our investigator's recommendation. Mr B ultimately didn't agree and asked for an ombudsman's decision. He also confirmed that a new interview with F&L had been arranged.

The matter was then 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.

The scope of this decision

As I mentioned above, Mr B brought his complaint to our service in March 2025, after F&L's first final response letter but before the second. As our investigator has considered events up to the May 2025 final response and F&L has not objected to this, this is what I will also consider in my decision. This means I will consider events up to May 2025, which relate to this claim, and not any events subsequent to that. Furthermore, I understand Mr B may also be unhappy about prior claims being declined but as this wasn't the complaint he originally referred to us, which was about the October 2024 incident, if he is still unhappy, he will have to raise a new complaint with F&L regarding those prior claims.

The claim and F&L's service

Mr B has an excess protection policy with F&L. It covers him for an amount equal to the excess in relation to each settled claim on his main insurance up to a certain limit. This is in respect to claims arising from a motor vehicle insurance claim only.

Mr B claimed on his F&L policy regarding a £1,250 excess he paid to his motor insurer further to a fault accident he was involved in in October 2024. F&L acknowledged the claim and said it was passed to its validation team for further investigation. I don't think F&L has acted unfairly or unreasonably in this regard and we would anticipate that, as the insurer, it wishes to review the claim before confirming its acceptance.

F&L doesn't dispute that there have been delays in Mr B's claim being reviewed. It has

acknowledged this in both its final response letters. Though there is no prescribed period within which we would expect insurers to complete their investigations; it depends on each claim's individual circumstances; we expect them to deal with matters promptly and without unnecessary delays.

F&L said it deemed it necessary to have a face to face interview with Mr B. I don't think this is unreasonable or disproportionate. It is quite common for insurers to interview their customers to obtain further information to help them assess a claim. And those can be face to face or not.

F&L said the reason why there was no meaningful progress after March 2025 is because it tried to arrange a face-to-face interview with Mr B towards the end of March 2025 but Mr B refused. And that it wasn't able to progress the matter without Mr B agreeing to be interviewed. Mr B said this wasn't the case and that he agreed to the interview, but no one attended on F&L's behalf.

Unfortunately, F&L said there is no recording of its call with Mr B, but it has provided a written note from the investigator. The note said the investigator contacted Mr B and that Mr B said he wasn't happy to attend the interview. In the absence of the actual phone call, I think a contemporaneous note is sufficient evidence to show that, on balance, F&L attempted to organise an interview on that specific date which Mr B didn't agree to. Nevertheless, there are no further notes or other evidence provided by either party in support of what they said happened subsequently.

In any event, whether it was Mr B who refused to be interviewed or F&L who failed to attend their appointment, this doesn't explain why F&L did not mention this in its May 2025 final response letter or other communications with Mr B until the matter was referred to our service. I would have expected F&L to inform Mr B that the matter wasn't progressing because he was refusing to be interviewed. But this isn't something I have seen in the evidence it provided. I would have expected F&L to be making reasonable efforts to arrange another interview or to at least explain to Mr B this was the reason why the matter wasn't progressing. Instead, it was telling him the matter was still being reviewed. I therefore agree with our investigator that its communication, especially after March 2025 was poor and caused unnecessary delays.

Mr B has since confirmed he was prepared to attend a face-to-face interview and as I said above, one has since been arranged. So, I don't see any reason why he wouldn't have agreed to this had F&L raised the matter earlier.

It follows that I think F&L's actions caused Mr B distress and inconvenience and also unnecessary delays in his claim being reviewed. For this I think it should pay him a further £100 compensation and this is in addition to the £100 it had already paid. As I said above, in this decision I am only considering F&L's actions up to the May 2025 final response letter. If Mr B is unhappy about subsequent delays he is free to raise a new complaint with F&L.

I appreciate Mr B wanted £2,000 for his claim to include his excess and compensation for the delay. But as the claim is still being reviewed- something I consider fair and reasonable as I think F&L reasonably wants to interview Mr B before it makes a decision on the claim- I am not going to ask F&L to pay the claim at this stage. And as I said above, in this decision I

am only considering events up to May 2025 and I think the compensation I awarded above is in line with awards we would make in similar circumstances.

As our investigator said, we anticipate F&L will now be able to progress the matter, especially as an interview has been arranged and that it will be able to provide Mr B with a meaningful update and confirmation as to whether his claim will be accepted or not. As I said above, if Mr B isn't happy with F&L's response or other actions he is free to raise a new complaint.

My final decision

For the reasons above I have decided to uphold this complaint. Financial & Legal Insurance Company Ltd must pay Mr B a further £100 compensation for the distress and inconvenience it caused him in addition to the £100 it already paid him. If it hasn't paid the £100 it previously offered, it must pay him £200 in total.

Financial & Legal Insurance Company Ltd must pay the compensation within 28 days of the date on which we tell it Mr B accepts my final decision. If it pays later than this it must also pay interest on it from the deadline date for settlement to the date of payment at 8% a year simple.

If Financial & Legal Insurance Company Ltd considers that it's required by HM Revenue & Customs to deduct income tax from that interest, it should tell Mr B how much it's taken off. It should also give Mr B a tax deduction certificate if he asks for one so he can reclaim the tax from HM Revenue & Customs if appropriate.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr B to accept or reject my decision before 14 January 2026.

Anastasia Serdari
Ombudsman