

The complaint

Mr J complains about Sanderson Drake Limited (“SDL”) and their handling of a claim for irresponsible lending they pursued on his behalf.

What happened

The claim and complaint circumstances are well known to both parties. So, I don’t intend to list them chronologically in detail. But to summarise, in November 2024 Mr J instructed SDL to pursue a claim for irresponsible lending against lender N on his behalf.

SDL submitted a claim to lender N, who rejected it. So, SDL referred the claim to the Financial Ombudsman Service to consider, who upheld it and provided a recommendation for lender N to follow. Lender N accepted this recommendation. But before accepting this himself, Mr J requested specific information, including a copy of the letter of claim (“LOC”) SDL submitted to lender N initially.

SDL initially refused to provide this document, before providing a redacted copy later on. Mr J was unhappy about this and other issues, so he raised a complaint. This included, and was not limited to, SDL’s refusal to provide the LOC, which he felt removed his opportunity to make an informed decision regarding the Financial Ombudsman Service’s recommendation. Mr J felt this refusal indirectly discriminated against him considering his neurodiversity disclosed to SDL. He also disputed SDL’s entitlement to their settlement fee as he didn’t feel he’d been provided with a copy of the Conditional Fee Agreement (“CFA”) at the outset. So, he wanted SDL to waive their fee and to compensate him for the distress and inconvenience he’d been caused.

SDL responded to the complaint and didn’t uphold it. In summary, they thought they had acted in Mr J’s best interests, with his authority. So, they didn’t offer to do anything more.

Mr J remained unhappy with this response. So, he referred his complaint to the Claims Management Ombudsman, a Financial Ombudsman service.

Our investigator looked into the complaint. Both parties have had sight of this outcome, so I won’t be recounting it in detail. But to summarise, within this outcome and the conversations held with Mr J afterwards, our investigator set out why they were satisfied SDL had pursued N with Mr J’s authority to do so, meaning SDL were free to invoice him for their fee. And while they accepted the LOC could have, and should have, been sent to Mr J without redaction, they didn’t agree this meant Mr J should be compensated. Our investigator also detailed what our service could and couldn’t determine regarding Mr J’s allegation of discrimination, explaining their belief that SDL had acted fairly with everything considered.

Mr J didn’t agree and he provided detailed and extensive commentary setting out why. This included, and is not limited to, Mr J’s continued assertion that SDL’s failure to provide the LOC caused a loss of opportunity and that SDL ought to have been more proactive in their communication with him when his neurodiversity was disclosed. He also raised concerns about SDL’s collection activity, and their refusal to pause this when requested. As Mr J didn’t agree, the complaint was passed to me for a decision.

I issued a provisional decision on 3 December 2025, where I set out my intention to uphold the complaint. Within that decision I said:

“I’ve considered all the available evidence and arguments to decide what’s fair and reasonable in the circumstances of this complaint. Having done so, it’s my intention to uphold the complaint. I’ve focused my comments on what I think is relevant. If I haven’t commented on any specific point, it’s because I don’t believe it’s affected what I think is the right outcome.

Before I explain why I’ve reached my intended decision, I want to set out clearly what I’ve been able to consider, and how. I note Mr J provided information relating to a separate claim SDL have pursued on his behalf. But this information relates to a claim that hasn’t been complained about to SDL and so, it doesn’t fall within our services jurisdiction to consider. To be clear, this decision will focus solely on the claim made to lender N that led to the balance reduction that SDL have invoiced Mr J for.

And when doing so, while I recognise Mr J has expressed an understanding of this, I want to reiterate that it is not for me, or this service, to determine whether discrimination has taken place under the Equality Act 2010 as this would be for a court to decide. Instead, when considering Mr J’s complaints, I’ve considered all the relevant laws, regulations and good industry practice to decide whether I’m satisfied SDL acted fairly and reasonably.

I also want to reassure Mr J, and SDL, that I’ve considered all the information and testimony that’s been provided, even if I don’t comment on them specifically. Instead, in line with our services informal approach, my decision has focused on the points I’m satisfied are pertinent to the decision I intend to reach.

I’ve first considered whether SDL had the relevant authority and consent to pursue the claim on Mr J’s behalf. And I note Mr J has stated he wasn’t provided with the conditional fee agreement (“CFA”) information when he initially instructed SDL.

But SDL have confirmed that when Mr J instructed them electronically, he was presented with the option to download the relevant documentation to ensure he understood the agreement was entered into. And it’s not in dispute that Mr J did electronically sign the documents required to allow SDL to pursue his claim. This included the CFA, letter of authority and a Financial Ombudsman Service referral form.

It’s reasonable to expect a customer such as Mr J to ensure they have a reasonable understanding of any agreement they enter into. And considering Mr J continued to engage with SDL after his claim had been rejected by lender N, for example when SDL requested bank statements to support his referral to the Financial Ombudsman Service, I’m satisfied they were fair when assuming Mr J had an understanding of their agreement and that he authorised and consented for them to pursue the claim on his behalf.

And as SDL were providing Mr J with a service, I’m satisfied it would be reasonable for a customer to assume a fee would be applicable if any claim was successful. So, I’m satisfied the onus was on Mr J to ensure he understood what this would be.

As Mr J signed the CFA electronically, I’m satisfied he agreed to be bound by this and so, I’m unable to say SDL have acted unfairly when progressing the claim. And, as the claim was successful as a result of SDL’s actions, I’m satisfied they have acted fairly when invoicing Mr J for their fee, which is in line with the fee information and examples provided within the documentation. So, I don’t intend to direct SDL to waive the fee that is outstanding.

As a fee was outstanding, SDL were entitled to take steps to receive payment. And crucially, they weren't obligated to pause collection activity, in spite of Mr J's request. That being said, I have considered the collection correspondence between Mr J and SDL. And having done so, I'm not persuaded SDL were coercive, or unreasonable. In all of the communication, they outlined Mr J's payment options, including repayment plans. They also confirmed they would halt activity should our service notify them of our involvement, as well as confirm any payments made would be refunded should this be a direction our service makes.

I'm satisfied this was both fair and reasonable. And I've seen that on the same day our service notified SDL of our involvement, they contacted Mr J to confirm collection activity would be paused, as they said they would. So, I'm satisfied they acted fairly here, and I don't intend to direct them to do anything more for this aspect of the complaint.

But I then turn to the issue I'm satisfied encompasses the crux of Mr J's complaint, which centres around SDL's failure to provide him with a copy of the initial LOC sent to lender N upon his request, which crucially came after he disclosed his neurodiverse condition to SDL.

I note SDL initially refused stating commercial sensitivity, before providing a redacted copy. But considering the LOC contained Mr J's own personal information and the arguments presented to support his claim, I can't agree that there was commercially sensitive information that should have prevented SDL from providing it at the same time that they provided the Financial Ombudsman Service recommendation, and their referral form. Or, that it needed to be redacted when a copy was eventually provided.

Mr J has outlined why this request was made to help him reach an informed decision and understand the offer being made, with his neurodiverse condition being taken into account. And considering SDL were aware of this condition before Mr J made his request, I am satisfied they ought to have done more here to consider Mr J's request with this in mind. So, I am persuaded that SDL acted unfairly regarding this point, and I'll return to this when discussing what I intend to direct SDL to do to put things right.

Putting things right

When deciding what SDL should do to put things right, any award or direction I make is intended to place Mr J back in the position he would have been in, had SDL acted fairly in the first place. In this situation, had SDL acted fairly, they would have provided Mr J with an unredacted copy of the LOC when he initially requested it.

Had they done so, Mr J would have had this document to consider alongside the Financial Ombudsman Service recommendation and referral form. And I'm satisfied that not having the LOC would have left him feeling as though he wasn't in a fully informed position to decide whether he wished to accept the recommendation proposed.

By not having this document, considering Mr J's neurodiverse condition, I'm satisfied this caused him both anxiety and frustration, creating the inconvenience for him of needing to engage with SDL more than he should have to try and obtain this. And when this is considered against the deadline posed to accept or reject the recommendation, I can understand the additional stress he would have felt.

So, I'm satisfied Mr J should be compensated for this and I intend to direct SDL to pay a compensatory amount of £200. I'm satisfied this payment is significant enough to recognise the impact I've detailed above, with Mr J's neurodiverse condition fairly considered.

But I'm satisfied it also reflects the fact that the LOC reflected the claim submitted to lender N, who had already rejected the claim. So, I'm not persuaded that having sight of this LOC

was likely to present any information to Mr J that ought to have impacted whether or not he wished to accept the recommendation proposed.

Mr J was provided a copy of the Financial Ombudsman Service recommendation, and the referral form that led to it. And he had also provided supplementary evidence to assist in the Financial Ombudsman Service investigation, so I'm satisfied he ought to have been reasonably reassured that the recommendation considered everything appropriately."

Responses

Mr J didn't respond to my provisional decision. So, in line with our services approach, I've assumed he has no further comments to make.

But SDL did, setting out why they disagreed. In summary, they explained why they felt the provisional decision and its rationale was contradictory, considering my finding that receiving an unredacted LOC wouldn't have impacted the ability of Mr J to decide whether he wished to accept the recommendation put forward by the Financial Ombudsman Service.

And SDL reaffirmed they had no regulatory obligation to provide the LOC, explaining why they felt doing so placed them at a commercial disadvantage as a customer could amend, alter and use the LOC to make further claims based on their professional knowledge.

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.

Having done so, I won't be changing my original conclusions and I'm upholding the complaint for all the reasons set out within my provisional decision. This provisional decision is copied above and so, I won't be outlining its reasoning again. Instead, I will focus on the comments put forward by SDL in their reasons to explain why they haven't changed my decision.

I recognise SDL feel my rationale is contradictory. But I don't agree that this is the case.

My provisional decision set out why I'm satisfied SDL ought to have provided Mr J with an unredacted copy of his LOC when he requested it. While I appreciate SDL didn't have a regulatory obligation to do so, this doesn't mean it wasn't a reasonable request they couldn't fulfil. I've thought carefully about their belief this placed them at a commercial disadvantage, but I'm not satisfied this supersedes the fact that SDL were acting on behalf of Mr J. So, as they were submitting a claim on his behalf, I'm not satisfied it was unreasonable for Mr J to request sight of the information that was submitted for him.

And in the individual circumstances of this complaint, I'm satisfied SDL's failure had a detrimental impact on Mr J, considering his neurodiversity which I'm satisfied they were made aware of before he made his request. And this is what the £200 compensatory payment I'm directing them to pay is intended to address.

But this £200 award also fairly takes into account my satisfaction that having sight of this LOC wouldn't have impacted Mr J's position to accept, or reject, the Financial Ombudsman Service's recommendation. And this is why I talked to this in my provisional decision, to set out clearly why I've arrived at the compensatory award I have.

I also want to be clear that when our service considers any complaint, while we do consider the rules and regulation and business works within, we also consider a business' actions under a fair and reasonable lens. And for all the reasons set out within my provisional decision, and discussed again above, I'm not satisfied SDL acted fairly and reasonably when refusing to provide an unredacted copy of the LOC, on this individual occasion.

Putting things right

To recognise SDL's failure to supply Mr J with his LOC when he requested it and the impact this had on him considering his neurodiverse condition, I'm directing SDL to pay Mr J a compensatory payment of £200, for all the reasons set out above and within my provisional decision.

My final decision

For the reasons outlined above, I uphold Mr J's complaint about Sanderson Drake Limited and I direct them to take the following action:

- Pay Mr J £200 compensation to recognise the impact caused by their unreasonable refusal to provide Mr J with all of the documentation he requested.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr J to accept or reject my decision before 20 January 2026.

Josh Haskey
Ombudsman