

The complaint

Mrs R complains U K Insurance Limited (UKI) turned down claims she made on her legal expenses insurance policy

What happened

In 2024 Mrs R sought assistance from her legal expenses policy with a claim against a solicitor acting as trustee of a trust. She said they'd failed in their duty to achieve appropriate growth or properly manage trust assets. She thought that was covered by her policy as the asset in question (a property) had been left in her father's will. UKI declined that claim. It said the policy excluded claims resulting from or connected to disputes with executors about the management of an estate or disputes with another beneficiary about the administration or disposal of it. It thought that applied here.

Mrs R subsequently made another claim. She said the investment trust was created by her father's will but the solicitor trustee (who wasn't an executor) hadn't been correctly appointed. He'd nevertheless approved the sale of the property (and a subsequent purchase). She wanted to bring a claim for professional negligence against him for mishandling trust assets. She also said the will left the contents of her father's property to her but she hadn't received that. She wanted to bring a claim against the solicitor's firm responsible for probate (the same firm the solicitor trustee worked for).

UKI said a claim for professional negligence would fall under the contracts dispute section of cover. However, as Mrs R didn't have a contract with either the solicitor trustee or his firm this didn't apply. In addition, the policy excluded professional negligence claims unless the matter was otherwise covered under the policy which wasn't the case here.

Our investigator agreed the claims Mrs R made weren't covered by either the inheritance disputes or contract disputes section of her policy. She thought UKI had fairly turned them down. Mrs R didn't agree. In summary she said:

- Her dispute wasn't with the executor or another beneficiary of her policy. It related to the solicitor's conduct as a trustee and he wasn't an executor. The claim related to breaches of professional and fiduciary duties by him over nearly three decades including the wrongful sale of trust property, failure to safeguard capital, concealment of documents and unauthorised withdrawals.
- The exclusion for professional negligence UKI had relied on didn't apply where the claim related to an inheritance matter. And UKI had wrongly considered the claim under the 'contract disputes' section. It didn't relate to a contract for services but to a breach of fiduciary duty. It also included failure by the solicitor's firm to correctly distribute the house contents left to her under her father's will.

I issued a provisional decision on the complaint last month. In summary I said:

The relevant rules and industry guidelines say UKI has a responsibility to handle claims promptly and fairly. It shouldn't reject a claim unreasonably. And for cover to be available for

an insurance claim it needs to fall within one of the insured incidents set out in the policy. The onus is on a policyholder to show, on the balance of probabilities, their claim falls within one of those sections. If they've done so but an insurer thinks an exclusion or condition means the claim isn't payable the onus is on them to show that applies.

In this case Mrs R's policy does include cover for inheritance disputes. It says "We'll cover the legal costs of claims for a dispute over something left to you in a will". However, it excludes claims that "result from or are connected with... disputes with executors about the management of the estate "or "disputes between you and another beneficiary about the administration or disposal of any item left to you in a will".

I appreciate the solicitor trustee who is the subject of some of Mrs R's claims wasn't an executor of her father's will. I also recognise the dispute she's seeking cover for isn't between her or another beneficiary. UKI previously suggested the trust established by the will was itself a beneficiary of it. But I've reviewed the terms of the will and I don't think that's a reasonable interpretation of what it says.

However, in order for cover to be available under this section the claim does need to relate to a "dispute over something left to you in a will". For that to fairly apply I think there needs to be a reasonably close connection between the will, the item left and the dispute itself. In my view the policy would likely cover a dispute over the validity of a will as it relates to items left in it. But I don't think it would reasonably cover a dispute about, for example, the subsequent mechanical failure of a vehicle even if that had previously been left in a will.

I've thought about how that applies here. I appreciate there's clearly a connection to the will because Mrs R's concerns are about assets that were to be held in trust for her future benefit. But her claim doesn't relate to the will itself but to the subsequent actions of a solicitor acting in their capacity as trustee. She argues they weren't properly appointed and didn't carry out their fiduciary responsibilities in the decades since her father passed away in the early 1980's.

It's that issue which has given rise to this claim. I don't think there's a close enough connection to the will to say this represents a dispute over something left to her in it. Given that, regardless of whether the exclusions cited by UKI in relation to this issue apply, I'm not satisfied Mrs R has shown an insured event covered by this part of her policy has taken place at all.

UKI also considered the later claim Mrs R made under the 'contracts disputes' section. That provides cover for breach of contract claims including for "buying or hiring goods or services". However, Mrs R accepts she didn't have a contract with either the solicitor trustee or his firm. So I think UKI was right to say cover wouldn't be available under this section either.

UKI also referenced an exclusion for professional negligence. However, that only applies to a claim brought under the 'contracts disputes' section. It wouldn't apply to a valid claim under a different section of the legal expenses policy. But for the reasons I've already explained I'm not satisfied Mrs R has shown her claim against the solicitor trustee does fall within any of the other insured events her policy contains.

Mrs R also wants to bring a claim against a solicitor's firm as she believes their failings meant she didn't receive the contents of her father's property. That claim does directly relate to something she was left in a will so would fall within the inheritance disputes section of cover. However, as I've already set out, it excludes "disputes with executors about the management of the estate". I think it's reasonable to say the management of an estate includes distributing it in accordance with the provisions of a will.

I accept the solicitor's firm weren't appointed as executors but in carrying out responsibilities here they would have been acting on instructions from the person that was. And the policy excludes claims which "result from or are connected with" a dispute with an executor about the management of an estate. I think that would reasonably exclude a claim against the solicitor's firm relating to the distribution of estate property. So I think it was fair of UKI to also decline to cover this aspect of Mrs R's claim

Responses to my provisional decision

UKI didn't respond. Mrs R did provide further comments. She accepted the policy wouldn't cover trust and trustee-related claims. However, in relation to the contents of her late father's property she didn't think the exclusion for a dispute with an executor about the management of an estate applied. She said the issue here concerned the failure to notify her of, and distribute to her, a specific legacy. So this wasn't a disagreement with an executor's decision but a failure of the probate process. She thought UKI's own explanation of what the policy covered (provided during a phone call) supported her interpretation.

So I need to reach a final 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.

I appreciate the distribution of the estate to the beneficiaries does form part of the probate process and Mrs R's concerns about not receiving the contents of her father's property clearly relate to that. But the question is whether that process itself is caught by the exclusion in the policy for claims which result from or are connected with "*disputes with executors about the management of the estate*".

I think it's reasonable to interpret 'management of an estate' as encompassing the responsibilities of an executor for the assets of an estate. Those responsibilities include the distribution of the estate. So Mrs R's concern about not receiving the contents of her father's property do relate to the management of the estate. And, as the wording of the exclusion covers claims which "*result from or are connected with*" that, I think it would also capture the actions of the solicitor's firm when acting on the instructions of the executor in relation to this. So, regardless of whether UKI said something different when it spoke to Mrs R, my view remains it is entitled to rely on this exclusion to turn down her claim.

My final decision

I've decided not to uphold this complaint. Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs R to accept or reject my decision before 13 February 2026

James Park
Ombudsman