

The complaint

Mr and Mrs R are unhappy One Insurance Limited declined a claim they made on a legal expenses insurance policy.

What happened

Mr and Mrs R had some building work done at their property and were unhappy with how it was constructed. They made a claim to One Insurance Limited for assistance with the cost of legal expenses as they wanted to pursue legal action against the builder.

One Insurance Limited declined the property dispute claim as there was an exclusion relating to disputes arising from building work. And, later, it provided an opinion from a solicitor which explained a misrepresentation claim wouldn't have prospects of success (usually described as a greater than 50% chance of winning). It therefore said this also wouldn't be covered by the policy.

The investigator looked into the complaint but let Mr and Mrs R know that she didn't think One Insurance Limited had done anything wrong.

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 agree with the conclusion reached by the investigator for the following reasons:

- The policy does contain an exclusion relating to “*Any costs relating to disputes arising from building, extending, rebuilding, renovating or amending any part of your home.*” This isn't an unusual exclusion in legal expenses policies, so I would expect it to be specifically highlighted.
- Mr and Mrs R's dissatisfaction stemmed from the quality of work that had been undertaken at their home. And, as such, I think One Insurance Limited fairly applied the exclusion to the claim.
- The policy requires that all prospective legal action has prospects of success, in this case the solicitor didn't think the misrepresentation claim would be successful. So, One Insurance Limited have acted reasonably in not taking this aspect of the claim forward.
- Mr and Mrs R say they weren't able to access the relevant policy documents online when they upgraded the legal cover. This is something they will need to take up with the insurance broker which sold the policy to them.

For these reasons I do not uphold this complaint.

My final decision

My final decision is that I do not uphold Mr and Mrs R's complaint against One Insurance Limited.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr and Mrs R to accept or reject my decision before 15 August 2023.

Alison Gore
Ombudsman