

The complaint

Mr P is unhappy with the handling of a legal expenses claim by Amtrust Europe Limited and with the service provided by a legal helpline.

What happened

In November 2021 Mr P entered into a conditional fee agreement (CFA) with solicitors in relation to a dispute about a will. In early March 2022 Mr P says mediation concluded without an offer his solicitors could support. He says those solicitors didn't act in his best interests and were focussed on obtaining their own fees. Mr P renewed his home insurance and included legal expenses cover with effect from 14 March 2022. Subsequently he sought advice from the legal helpline offered by his policy.

Mr P made a claim on the policy in October 2022 as his solicitors were pursuing him from their own costs. Amtrust said the claim wasn't covered because Mr P was aware of the circumstances which had led to it prior to taking out the policy. It didn't think there had been any issues with the service provided by the legal helpline and that responses to issues raised by Mr P had been provided within a reasonable timeframe.

Our investigator agreed the claim had been turned down in line with the policy terms. And she thought Mr P's calls to the legal helpline had been dealt with appropriately. She accepted he hadn't always received a call back within an hour but thought that had nevertheless taken place within a reasonable timeframe. She also thought that action taken following a call on 29 September 2022 was appropriate. And she didn't think there had been any significant delay by Amtrust in dealing with Mr P's claim.

Mr P didn't agree. He said the insured incident couldn't have taken place before he took the policy out because the judgement which gave rise to his claim hadn't taken place. And he was unhappy at being given an expectation call backs would take place within an hour when that didn't happen. He didn't think response times were acceptable when dealing with his claim and information he'd already provided was requested again. He also said following the decline of his claim he'd sought an independent review which led to his solicitors withdrawing their claim against him.

He questioned why this complaint was recorded against Amtrust given his provider was listed as a different company (and they'd told him another company was the insurer). He thought those companies should be referenced in the public record of the complaint. And he didn't think his complaint about customer service had been considered.

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.

Mr P has queried why this complaint has been logged against Amtrust. I appreciate his

policy has a different company's brand name associated with it and the claim itself was handled by separate claims handlers. But it's clear from his policy document that Amtrust are the insurer of the legal expenses element of his policy which is why the complaint has been set up against them. However, an insurer is responsible for the actions of its claims handlers and agents so any references to Amtrust includes what they did.

The relevant rules and industry guidelines say Amtrust has a responsibility to handle claims promptly and fairly. It shouldn't reject a claim unreasonably.

I've thought first about whether Amtrust was correct to say the claim Mr P made in October 2022 was caught by an exclusion in his legal expenses policy. The policy sets out the different sections of cover that apply. I think the only one that might apply to the claim Mr P made is that relating to contract disputes.

That does cover "*costs to pursue or defend a legal action following a breach of contract you have for...buying or renting goods or services for your private use*". So it could potentially cover a breach of the CFA he'd entered into with his solicitors. But the policy specifically excludes within that section claims "*where the breach of contract occurred before you purchased this insurance*".

In this case Mr P entered into the CFA with his solicitors in November 2021. And he's said as part of his claim to Amtrust that his solicitors didn't act in his best interests and were focussed on and driven by their fees. I can see those issues were raised in the email the solicitors sent him on 10 March (prior to the start date of this policy) and Mr P says he was aware from that email he faced being charged privately for costs.

I appreciate Mr P wouldn't have been aware of a later court judgement which I understand led his solicitors to seek recovery of their fees when taking out the policy. But based on the information Mr P provided I don't think it was unreasonable of Amtrust to conclude the alleged breach of contract must have taken place (at least in part) prior to the start date of the policy. And the policy is clear it doesn't cover claims where that's the case. So I don't think it acted unfairly in turning down the claim Mr P made.

In any event it doesn't appear there is an ongoing claim here. Mr P has told us his solicitors have now withdrawn their demand for payment (and have paid him compensation). He hasn't suggested he incurred any legal costs in relation to this issue. So, even if he could show this claim was covered by his policy, I don't think there would be any further action Amtrust now needed to take in relation to it.

I've also considered the customer service issues Mr P has raised. I've listened to calls he made to the legal helpline and reviewed call notes. Mr P was provided with advice on how to pursue issues following a decision of the Court of Protection and was also advised to make a claim on his policy in relation to issues he wanted to pursue against his solicitors. There may have been some instances where clearer information could have been given but, looking at the service provided as a whole, I don't think Amtrust has been at fault.

I appreciate Mr P may have been given the expectation he would receive call backs within an hour but that isn't something his policy specifies. And I don't think the timeframes within which he did receive a response were unreasonable.

Mr P has raised particular concerns about a call he had on 29 July and that the number he was given to call went through to a receptionist. The phone number he's referenced does appear to be correct though it seems Mr P didn't end up speaking to the right person when he called it. I'm not sure why that was but I do appreciate that will have been frustrating for him. And I think the call handler could have done more to understand the difficulties that

caused. But I think it was reasonable of her to arrange for the legal helpline to call Mr P back and I don't think there's more Amtrust needs to do to put things right here.

Turning to the service provided in relation to Mr P's claim I appreciate he initially had difficulties submitting this online. But Amtrust has evidenced there weren't any problems with its systems on that day so I can't say this was because of anything it got wrong. And I can see Amtrust requested additional information in relation to the claim within five working days of it being received. It asked for further clarification within the same timeframe of that additional information being provided.

Mr P says he'd already provided that information but even if that is the case I don't think it caused significant delay to the progress of the claim. A decision was reached on 14 November (around 10 working days after the claim was first submitted). I do understand that this was a difficult and stressful time for Mr P and he felt under pressure because of the demand for payment he'd received from his solicitors. But I don't think those response timeframes were unreasonable in the circumstances.

There was a delay by Amtrust in responding to the complaint Mr P made on 29 September but I don't think that prevented him from referring the matter to our service as he did that prior to receiving Amtrust's response on 7 December. In any event complaint handling isn't one of the regulated activities our rules allow us to consider. The way those rules work mean I could only direct Amtrust to do something to put things right here if I was also making an award for something to do with the handling of Mr P's insurance claim. As I'm not doing so this isn't an issue I can help him with.

My final decision

I've decided not to uphold this complaint. Under the rules of the Financial Ombudsman Service, I'm required to ask Mr P to accept or reject my decision before 18 August 2023.

James Park
Ombudsman