

## **The complaint**

Mr A and Mrs A complain Plum Underwriting Limited mis-sold their home insurance policy as it didn't provide the service they expected under the legal helpline.

## **What happened**

In around February 2022 Mr A and Mrs A took out insurance through Plum Underwriting Limited to cover them whilst living overseas. Plum arranged cover with an insurer I'll call Insurer A. The policy included legal expenses insurance (LEI) and access to a legal helpline. The LEI cover and helpline were provided by a separate insurer. I'll call them Insurer B. And where I refer to Insurer B, that will include their claims handlers.

Mr A contacted the legal helpline twice for advice about legal issues that had arisen in the country where he and Mrs A were living. Each time he was told, broadly, assistance could only be given in relation to UK matters.

Mr A thought Plum had mis-sold the policy on grounds the helpline didn't provide the service he and Mrs A understood it would. He noted the legal helpline was available for "*any private legal problem of concern to You or Your Family which arises anywhere in the world*". Mr A and Mrs A said the description of the helpline was misleading since they didn't get the advice they needed. Without the legal advice they were expecting, they'd had to concede the first dispute. And, at the time of complaining, the second issue on which they required advice had become urgent. They complained to Plum.

Plum explained, broadly, that whilst they'd arranged the insurance for Mr A and Mrs A, Insurer A fixed the policy wording and chose the LEI insurers and claims handlers. Plum couldn't influence either. In any event, the policy had been suitable for Mr A and Mrs A's needs as it did provide help with overseas legal issues. And they said Mr A and Mrs A's real complaint was about the service they'd received when they'd contacted the helpline.

Mr A and Mrs A were unhappy with Plum's response and brought their complaint to the Financial Ombudsman Service. Our investigator didn't think the policy had been mis-sold. She said, in summary, the legal helpline provided the sort of service we'd expect it to.

Mr A felt our investigator hadn't addressed their concerns. Since Mr A and Mrs A didn't accept our investigator's view, their complaint's been 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.

I note Mr A's strength of feeling about the complaint and I'm grateful for all the information he and Plum have provided. I won't mention everything they've said here. No discourtesy is intended by that. It simply reflects the informal nature of the service we provide. I'll focus on what I consider key in coming to my decision.

Mr A and Mrs A haven't complained about the overall suitability of the insurance policy they took out or said they wouldn't have taken the policy out at all if they'd understood the service the legal helpline would provide. But they feel the way in which the service provided by the legal helpline was described was misleading. And they say the policy was mis-sold because of that.

I've noted Plum's comments that they weren't in a position to influence the policy wording. But they needed to make sure, in line with Financial Conduct Authority rules, that any information they gave Mr A and Mrs A was appropriate - so they could make an informed decision about the insurance they were buying – and that it was clear, fair and not misleading.

The service the legal helpline provided was set out in the policy schedule and policy wording. Mr A and Mrs A have highlighted this themselves, so I'm satisfied they've seen and understood this.

The schedule said:

*"Your Legal Helpline is administered by [Insurer B] and serviced on their behalf by [firm of solicitors].*

*The Legal Helpline will be able to help you on any private legal problem that has happened.*

*This service is limited to legal advice given on the telephone and then confirmed in writing on request."*

The policy wording said:

*"Legal Helpline*

*Use the 24 hour advisory service for telephone advice on any private legal problem of concern to **You** or **Your Family** which arises anywhere in the world.*

*Specialist lawyers are at hand to help **You**. If **You** need a lawyer ... to act for **You** and **Your** problem is covered under this insurance, the helpline will ask **You** to complete a claim form. If **Your** problem is not covered under this insurance, the helpline may also be able to offer **You** assistance under a private funding arrangement."*

Insurer B explained the helpline process in response to Mr A and Mrs A's complaint about the service they'd received. They said where advice from the legal helpline about jurisdictions outside the UK is requested, the process should be that the customer calls the helpline, the helpline advises Insurer B of the requirement and Insurer B arranges for a suitably qualified legal representative to contact the customer to provide the advice.

Mr A and Mrs A feel the issues they sought advice on through the helpline were never addressed in that way. But Insurer B's explanation is in line with Mr A and Mrs A's understanding that the helpline would provide them with advice about legal issues that arose worldwide. To that extent, the policy provided the service they were expecting, even if they didn't get that service in practice.

From what I understand, Mr A and Mrs A were also unhappy with the explanation Insurer B provided about the extent of support available through the helpline. Insurer B said the helpline service was to provide generic legal advice on worldwide matters. If formal advice was needed, a claim had to be made under the policy; an assessment of whether the policy provided cover would then be carried out; if it did, and the policy terms and conditions were

met, solicitors would then be appointed to carry out a legal assessment of the claim.

I don't think the policy schedule or policy wording is clear about that. They do refer to "limited legal advice" and the need to make a claim if the policyholder needs a lawyer to "act" for them. But the extent of support available isn't set out in terms I consider to be clear, fair and not misleading as they ought to. I think Mr A and Mrs A could reasonably have understood they'd get access to more than general advice about the legal issues they'd attempted to discuss. And I'm not aware Plum explained how it worked in any other documents it gave to Mr A and Mrs A when they took the policy out.

That said, the service the legal helpline provided is in line with what I've seen elsewhere from other providers. Access to legal helplines is commonly found in LEI policies as an add-on to the main LEI cover. They are designed to give the policyholder quick access to general legal advice from a firm of solicitors who is on the LEI insurer's panel. If the solicitor considers the policyholder needs more formal legal advice, they usually refer the policyholder to make a claim under the policy. That generally happens where more detailed advice is needed and would be better addressed by a lawyer with appropriate skill and expertise.

I'm not aware of any evidence that Mr A and Mrs A would have decided to buy insurance elsewhere, or would have been able to, if they'd understood the position. They had specific insurance needs given Mrs A's occupation and the fact they were living abroad. And since other insurers are likely to have offered a similar helpline service, I think it's unlikely they would have found more suitable cover elsewhere, or that limitations within this cover would have led them to look for an alternative policy or changed their decision to take this policy out.

Bearing everything in mind, whilst I understand Mr A and Mrs A's frustration and appreciate they will be disappointed, I don't uphold their complaint the policy was mis-sold.

### **My final decision**

For the reasons I've explained, I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr A and Mrs A to accept or reject my decision before 17 November 2023.

Julia Wilkinson  
**Ombudsman**