

The complaint

Mrs H complains DAS Legal Expenses Insurance Company Limited (DAS) unfairly withdrew cover under her legal expenses insurance (LEI) policy.

What happened

- Mrs H had a LEI policy which was underwritten by DAS. Following an incident at a shop, she sought to pursue a personal injury claim against the retailer using her LEI cover.
- DAS accepted the claim and Mrs H was given a legal representative – who I'll refer to as L. L appointed a medical expert to review the injuries Mrs H said she'd sustained during the incident.
- Mrs H attended the medical appointment but complained to L saying the expert had treated her unfairly and been discriminatory towards her. L investigated her concerns and obtained a response from the medical expert regarding Mrs H's experience. In response, the medical expert said Mrs H had displayed discriminatory behaviour towards him.
- In a telephone conversation with L to discuss the matter, L said Mrs H had made comments which though not directed towards its staff member, were offensive and discriminatory. L said the call was terminated as a result. And because it considered the comments to be unacceptable, L said it would no longer represent Mrs H. And based on this information, DAS subsequently withdrew cover.
- Mrs H complained saying L, and in turn, DAS' decision to withdraw cover was unfair because she wasn't discriminating.
- In its final response, DAS maintained its position was fair, but it acknowledged it had taken longer than it should have to reply to Mrs H's complaint and so, paid £100 compensation.
- Unhappy, Mrs H brought a complaint to this Service. An Investigator considered it but didn't uphold it. Because Mrs H disagreed, the complaint has been passed to me for 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.

Having done so, I agree with the outcome our Investigator reached – I'll explain why.

- DAS withdrew cover saying L had informed it Mrs H had made discriminatory and offensive comments during a call with a staff member and during an appointment with a medical expert which had been arranged by L.

- DAS said the policy's terms and conditions allowed it to withdraw cover where the:

“Appointed representative refuses to continue acting for you with good reason, or if you dismiss the appointed representative without good reason, the cover we provide will end immediately unless we agree to appoint another approved representative.”

- I'm satisfied the policy makes it clear that DAS can withdraw cover if the appointed representative has “good reason” for refusing to represent the policyholder. Here, L has refused to act for Mrs H on the basis that she made discriminatory comments.
- DAS was satisfied L had demonstrated there was good reason for no longer representing Mrs H. Whilst I appreciate Mrs H disputes she made discriminatory comments, I'm satisfied DAS' decision was reasonable based on the information it had been provided by L – which included an explanation as to why the call was terminated by its staff member, the medical expert's response to Mrs H's complaint about him, and its reasoning for why it considered Mrs H's conduct to be discriminatory and unacceptable.
- Should Mrs H complain to the Legal Ombudsman about L, and it is established the allegations were unfounded, I'd expect DAS to investigate things again. But as it stands, I'm satisfied its decision to withdraw cover was fair and reasonable in the circumstances.
- DAS has paid £100 compensation to acknowledge it could have dealt with Mrs H's complaint quicker and I'm satisfied this amount reasonably reflects the frustration she felt at having not had a timely response to her complaint.
- Mrs H also complained L didn't inform her about a three-year time limit applying in respect of pursuing her personal injury claim through the courts. She says it should have made her aware of this when it terminated her retainer. But this Service can't investigate concerns about L's legal advice as we don't have jurisdiction to do so. If she's unhappy about L's alleged lack of advice, she'd need to direct her complaint to the Legal Ombudsman.

My final decision

My final decision is I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs H to accept or reject my decision before 2 January 2024.

Nicola Beakhust
Ombudsman