

## **The complaint**

Miss H complains about Alwyn Insurance Company Limited (Alwyn) who failed to send her, her policy documents and later declined a claim under her home insurance policy.

## **What happened**

Miss H held a commercial home insurance policy with Alwyn, which included cover for home emergencies. A few days after it had renewed, Miss H's boiler broke down in the tenanted property. She asked an engineer to fix it. But he found that the boiler was beyond economic repair and advised that a new boiler was required.

Miss H paid for the cost of a new boiler. It was only after this event, when she contacted Alwyn to enquire where her policy documents were, that Alwyn sent Miss H her policy documents. It was at this point that Miss H noticed that she would've been covered for the boiler breakdown, and she contacted Alwyn to make a claim.

Alwyn advised Miss H that as the policy conditions hadn't been followed by her, it would decline her claim. She told Alwyn that she was unaware that her policy would've provided cover for her boiler, as it hadn't sent her the policy documents. It further went on to say that it wouldn't override the decision to decline, as the cover had been included in previous years policies.

Miss H told Alwyn that its decision to decline was unfair as insurers regularly update policy terms and conditions. And in any event, the previous policy had expired, and she didn't have a copy of the terms. She also said that had she been aware of the policy terms (if she had received her documents), she would've made a claim correctly adhering to those terms. She asked Alwyn to reimburse her the £500 she would've been entitled to under the policy terms. As this wasn't done, she referred a complaint to our service.

During our investigator's investigation of the complaint, Alwyn told him that it had been trying to contact Miss H, albeit unsuccessfully, as it agreed that it should pay her the £500. But our investigator considered the complaint and thought it should be upheld. He said that it was fair that Alwyn agreed to pay the £500 to Miss H, provided she submit proof of payment, which was done, and recommended that the £500 should be paid.

Following the recommendation, Alwyn (despite indicating that it agreed with our investigator's view) did not pay Miss H the £500 and had not done so for over several months. So, given the delay, Miss H has asked for a decision from an ombudsman.

## **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 will uphold this complaint, for much the same reasons as our investigator. And I will explain why I think this is fair.

The facts of this complaint are known to both parties and don't appear to be in dispute. Alwyn has accepted that it should pay Miss H the £500 she is entitled to, under the terms of her policy. From what I have read, it accepted this in an email on 23 June 2022. Since then and following our investigator's recommendation, Alwyn has not paid the £500. I can see that there was some communication between Alwyn and our service, in which Alwyn reiterated that it would pay the £500, but this hasn't been paid. I note that there has been no reason given by Alwyn as to why there has been a delay in settling the claim.

Miss H has waited for a number of months for settlement of the claim. And in the absence of any reasons for the delays, I think that it fair and reasonable that Alwyn now settle the claim by paying Miss H the £500, that she is entitled to.

Also, as Alwyn has given no reason why it hasn't paid the £500, as it said it would, I'm satisfied that Miss H has suffered from the impact of this. And as such, Alwyn ought to recognise the trouble and upset that this has caused. For this error, I think Alwyn should pay Miss H a further £175, for the trouble and upset this has caused.

### **Putting things right**

To put matters right, I direct Alwyn as below.

### **My final decision**

For the reasons given, I uphold Miss H's complaint.

Alwyn Insurance Company Limited to pay Miss H £500 for the claim.

Alwyn Insurance Company Limited to pay Miss H £175, for the trouble and upset caused.

Alwyn Insurance Company Limited must pay the above amounts within 28 days of the date on which we tell it Miss H accepts my final decision. If it pays later than this, it must also pay interest on the amount from the date of my final decision to the date of payment at 8% a year simple.

If Alwyn Insurance Company Limited considers that it's required by HM Revenue & Customs to deduct income tax from that interest, it should tell Miss H how much it's taken off. It should also give Miss H a certificate showing this if she asks for one, so she can reclaim the tax from HM Revenue & Customs if appropriate.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss H to accept or reject my decision before 6 February 2023.

Ayisha Savage  
**Ombudsman**