

The complaint

Mr P complains that Atlanta Insurance Intermediaries Limited trading as Swinton Insurance mis-sold him a motor insurance policy.

What happened

Mr P complains Swinton Insurance (Swinton) failed to disclose full policy terms and conditions when he purchased his insurance in July 2022. He says there was a limited policy version of his terms and conditions which was made available to him, but it did not make it clear that any repair costs for work carried out by a non-approved repairer, would be subject to a cap or limited in anyway.

Mr P says he was subjected to unfair treatment as the full terms and conditions were not disclosed to him, so they did not allow him the opportunity to make an informed decision when taking out the policy and this caused difficulties in recovering what was spent on getting his car repaired.

He says the policy also doesn't state that reference should be made to the insurance underwriters for full policy terms and conditions, and no link or warning was available within the classic policy wording that suggested there was additional information available. He complained to Swinton on 11 January 2023 seeking recovery of the costs associated with the accident repair of his vehicle.

Swinton responded in February 2023 to say the insurer has their own network of repairers and to utilise an insurer outside of this network would be subject to them agreeing rates and any other relevant terms and that this was standard industry practice.

They also say the policy was incepted online via a comparison website on a non-advised basis and don't agree that there has been any mis-sale or non-disclosure on their part. Our investigator considered the complaint and said the terms and conditions did not direct customers to refer to their insurer for more information about their policy and so this was not available to Mr P when he purchase his policy. She awarded Mr P £100 for causing him frustration and inconvenience.

Mr P accepted the investigators view but Swinton asked for this to be escalated, so this has come 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 will be upholding this complaint and for similar reasons as the investigator. I will explain further.

I'd like to be clear, as an informal complaint's resolution service my role here is to consider evidence from both parties and come to an impartial conclusion about what I think to be

correct. Although I may not have individually mentioned each point, I have considered all of Mr P's complaint points along with the evidence provided throughout the life of the complaint and commented in turn on the elements that I consider to be key to the complaint.

I must decide whether Swinton provided the right information to Mr P in a way that allowed him to make an informed choice about his policy. This includes making sure the information about the policy terms, benefits, exclusions, and limitations was included in the terms.

The fact that Mr P purchased the policy via a broker as opposed to the insurer direct doesn't discharge Swinton's duty to provide the full terms and conditions of the policy. They should have provided the full insurance policy to Mr P and unless a follow up email containing this was provided or there was a specific link to access the full terms and conditions of the policy, Swinton would have failed to comply with the regulatory requirement.

The information I've seen shows Mr P wasn't given the full policy terms and conditions when he purchased the policy and there was nothing signposting him to the full terms, therefore it is reasonable for Mr P to rely on the policy terms he was given. In the absence of any contrary information, he believed his fully comprehensive insurance cover would include the cost of repairs to his car where this was a non-fault accident. He reasonably expected the only expense involved in the event of a claim would be the agreed policy excess particularly as the policy didn't highlight any limitations.

Whilst I appreciate Swinton's take on what they say is standard industry practice when using non approved repairers, I would still expect the policy terms to highlight any limitations that applied. Alternatively, anything that would direct the customer to the fact that there is additional policy information which must be read when the cover was selected.

It's also clear Mr P wasn't told until after the accident around five months after the policy was purchased that there would be a limit to the amount recoverable if he chose to use his own repairer, so he had no reason to contact his insurer to agree rates in advance.

Given that Swinton has agreed going forwards to direct consumers to the insurer for further information, I think it can be said they accept there was a need for emphasis to be placed on this. There is nothing conclusive to say what Mr P would have done differently if the information was available, but on balance it is clear he has been treated unfairly. Although limited in impact, this has caused him inconvenience because he's had to continue to dispute the claim costs and face difficulties in recovering the full amount paid for repairs.

Putting things right

For the reasons I've explained above, I think Swinton didn't treat Mr P fairly by not providing him the terms and conditions and so to recognise the inconvenience he's experienced, they should pay him £100 compensation.

I appreciate Mr P may still have concerns around the way Swinton operate but as he's mentioned, he has referred this to the Financial Conduct Authority (FCA) so there is nothing further for me to add here.

My final decision

For the reasons given above, my final decision is that I uphold this complaint against Atlanta Insurance Intermediaries Limited trading Swinton Insurance. They should pay Mr P £100 for the inconvenience caused.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr P to accept or reject my decision before 18 March 2024.

Naima Abdul-Rasool
Ombudsman