

The complaint

Mr and Mrs C complained that Accredited insurance (Europe) Limited declined their claim for a quadbike stolen when their garage was broken into.

Accredited are the underwriters of this policy ie the insurer. Part of this complaint concerns the actions of the intermediary/agent. As Accredited have accepted they are accountable for the actions of the /intermediary/agent, in my provisional decision, any reference to Accredited includes the actions of their intermediary/agent.

What happened

Mr and Mrs C have, for a number of years, arranged their property insurance through an intermediary I'll call A. in the relevant policy year, A sourced buildings insurance for them which was underwritten by Accredited. Mr and Mrs C's contents policy was underwritten by another insurer.

In spring 2022, Mr and Mrs C's garage was broken into and a quad bike stolen. So Mr and Mrs C contacted Accredited to make a claim.

The claim was dealt with on behalf of Accredited by their agent – which I'll call M. The damage caused to the garage was dealt with. But M said cover for the quad bike was excluded under the policy.

Mr and Mrs C complained. In response, M said that their policy provided cover for contents. But there was a specific exclusion which said:

"The following are not included as contents.

(a) Road vehicles or any other mechanically or electrically propelled or assisted vehicles or toys..."

M said the quad bike fell within this exclusion.

Mr and Mrs C weren't satisfied with the response to their complaint and brought it to our service. They said the exclusion M had referred to wasn't included in the policy documents they'd received.

Our investigator considered the complaint and concluded Accredited didn't need to do anything more to resolve it. She was satisfied the quad bike fell within the exclusion set out above.

When I reviewed all the information about Mr and Mrs C's complaint, I reached a different conclusion. So I made a provisional decision.

I noted that M made a mistake in considering the quadbike claim, because they considered it on behalf of Accredited – not the contents insurer. So, while I couldn't comment on their decision to decline the claim, I was satisfied M's actions, as Accredited's agent caused Mr and Mrs C confusion, trouble and upset and meant the correct insurer had never had the

chance to consider the claim. I said Accredited should compensate Mr and Mrs C for their agent's error by paying them £200 compensation.

My decision was sent to both parties for their comments. We have now received those, so the matter's been returned to me to make my 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 that, I'm upholding Mr and Mrs C's complaint for the reasons I set out in my provisional decision and which I've summarised above.

M confirmed on behalf of Accredited that they accepted my provisional decision. They made no further comments.

Mr and Mrs C said they'd contacted us to complain about A. It was A with whom they'd dealt and who collected their insurance premium and they'd never said Accredited had declined their claim.

I understand Mr and Mrs C's confusion. The sale and administration of insurance policies often involves a number of parties and identifying the right business against whom a complaint should be made can be very difficult. It involves us looking not only at the parties with whom a consumer dealt, but also at what they're complaining about, because only certain parties can deal with particular issues.

In this case, Mr and Mrs C complained the claim they'd made for the theft of their quadbike had been declined. The underwriter of the policy is responsible for deciding whether to accept or decline a claim – even if that decision is communicated by another business.

That's why we recorded the complaint against Accredited – the business that made the decision – not against A. And it was Accredited's agent who dealt incorrectly with that claim on their behalf – which is why Accredited need to compensate Mr and Mrs C for what went wrong.

Putting things right

I said in my provisional decision I thought Accredited should pay Mr and Mrs C £200 compensation for their agent's failure to direct their claim to the right underwriter. Neither party's made any comments which persuade me to change my provisional decision. So that's what Accredited now need to do.

My final decision

For the reasons I've explained, I'm upholding Mr and Mrs C's complaint about Accredited Insurance (Europe) Limited and directing Accredited to pay them £200 compensation for the confusion, trouble and upset they've caused Mr and Mrs C.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs C and Mr C to accept or reject my decision before 4 October 2023.

Helen Stacey
Ombudsman