

The complaint

Mr T has complained that Post Office Management Services Limited ('Post Office') didn't provide a quote for his home insurance policy.

What happened

Mr T's home insurance policy was due for renewal at the end of October 2023. The underwriter's computer system had cancelled Mr T's home insurance due to a technical issue. Mr T then received a letter from Post Office as broker, which usually sent renewal documents to him, to say that the underwriter couldn't offer a renewal quote any longer due to this technical error.

Mr T had been a loyal customer of Post Office insurance and had wanted to remain with it. However, Post Office didn't consider that it had any control over the problem and didn't consider that it was able to assist with Mr T's complaint. Mr T disagreed and referred his complaint to this service.

The relevant investigator didn't uphold Mr T's complaint, however she set up a complaint in relation to the underwriter. This was because Mr T's complaint was in relation to the failure to provide a quote and this was a matter for the underwriter. However, the investigator considered that it was fair and reasonable that Post Office apologised for the inconvenience caused to Mr T, and that was as much as it could do bearing in mind its role.

Mr T agreed that a complaint could be set up by the service in relation to the underwriter. However, he remained unhappy with the outcome of his complaint regarding Post Office. In the circumstances, the matter has been referred to me to make a final decision in my role as 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.

The key issue for me to determine is whether Post Office acted in a fair and reasonable manner in relation to the service provided to Mr T. As a broker, I consider that Post Office had a limited role in relation to what could be done to obtain the quote which Mr T wished to receive. In the circumstances, I don't uphold Mr T's complaint and I explain my reasons for this in further detail below.

Turning to the submissions of Mr T and the Post Office, Mr T was looking for compensation from Post Office, but it had told him that the matter has been closed. He also tried to phone the underwriter; however, its office was closed at the relevant time. Whilst Mr T wished to progress a complaint against the underwriter, he also didn't think that Post Office should be 'let off'. Mr T said that having to change insurer had caused stress and trouble.

Post Office told Mr T that; *'due to an internal system error your policy did not renew because of the claims enquiries noted on your policy.'* It explained that due to a technical error, their

acceptance and rating rules weren't working correctly at the relevant time. It said that its own 'product team' and the underwriter had been working hard to fix the problem. It has since explained that the system error was that of the Post Office's underwriters in relation to its approach to potential claims and risk on renewal. It appears that the underwriter subsequently did provide the opportunity for Mr T to receive a quote, however Mr T had by then already sought insurance cover elsewhere.

Turning to the reasons for my decision not to uphold Mr T's complaint, whilst I understand Mr T's frustration, I can't say Post Office have acted in an unfair or unreasonable manner. I appreciate that in Post Office's final decision letter, it wasn't entirely clear as to whether it was its own internal system and its own product team as well as the underwriter that was responsible for the fault. Nevertheless, I consider that it has since made it clear that the issue was due to the underwriter's system error and that it's the underwriter that decides to whom it offers insurance. It explained that Post Office simply passes on the underwriter's decision to the customer.

I note that a further complaint has now been set up by the service's investigator against the underwriter. Again, I appreciate that this means that Mr T will encounter further delays in obtaining a final outcome. Regarding Post Office however, I can't uphold Mr T's complaint as I don't consider that Post Office has acted in an unfair or unreasonable manner. It has apologised for its role in passing on the underwriter's incorrect information. It also assisted Mr T by passing on the telephone numbers of potential alternative insurers as Mr T was unable to access the internet. I consider that this was a fair and reasonable action.

I appreciate that this final decision will come as a disappointment to Mr T, however I hope that it will go some way in ensuring that the complaint is directed to the correct organisation.

My final decision

For the reasons given above, I don't intend to uphold Mr T's complaint and I don't require Post Office Management Services Limited to do any more in response to his complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr T to accept or reject my decision before 3 June 2024.

Claire Jones
Ombudsman