

The complaint

Miss A is unhappy with the sale of a contents insurance policy sold by British Gas Services Limited (BGSL). Miss A says the limitations of cover were not fully explained at the time of sale.

What happened

Miss A purchased contents insurance cover in December 2021. The purchase of insurance was non-advised and took place online.

BGSL say during the online process Miss A would've had access to the policy booklet containing the terms and conditions for the insurance she'd selected. Miss A ticked the box to confirm her acceptance of these terms and conditions. Miss A was sent a renewal invitation in November 2022. Miss A's policy automatically renewed, and Miss A was sent confirmation of this in December 2022.

In November 2023 Miss A tried to make a claim on her policy following storm damage to her contents. Miss A was told parts of her claim wouldn't be covered. Miss A was unhappy about this, and said BGSL hadn't clearly explained the limitations of her policy at the time of sale. BGSL responded to Miss A's complaint saying policy information had been explained before Miss A took out cover, and sent to her both at the time of the original sale, and subsequent renewal. BGSL didn't uphold Miss A's complaint. Unhappy with this response, Miss A referred her complaint to this service.

The investigator found that the service provided by BGSL was reasonable. Miss A didn't agree. As the complaint couldn't be resolved, it has been passed to me for 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 reviewed the evidence I agree with the investigator's findings on this complaint for broadly the same reasons.

I thank Miss A for taking the time to explain everything that's happened since taking out insurance, and making a claim on her policy. I understand it has been a stressful time for Miss A. I'd like to reassure the parties that although I've only summarised the background to this complaint, so not everything that's happened or been argued is set out above, I've read and considered everything that has been provided.

I've carefully considered Miss A's extensive representations about the sale of the policy, and the lack of information provided to allow her to make an informed decision about whether the policy was suitable for her. When evidence is contradictory or inconclusive (or both) I have to make a finding on the balance of probabilities. And on balance, having considered whether BGSL did enough to allow Miss A to make an informed decision about whether to purchase insurance, I'm persuaded it did. I'll explain why.

In a non-advised sale we wouldn't expect a business to advise or recommend that the consumer buy the policy. The duty on the business selling the policy is to make sure the consumer is given enough information that is clear, fair, and not misleading so that they can make an informed choice about whether the policy is right for them.

BGSL has provided screenshots showing the online journey Miss A would've experienced at the time of taking out her policy. Having reviewed this evidence, I'm persuaded that Miss A was provided with links to view the relevant information for her policy before deciding whether the cover was suitable for her. It's not disputed that there were several links to open, and many pages of information to consider.

But when purchasing a contract for home insurance, like the one Miss A entered into, it's not unusual to be presented with several different documents to review and accept, before purchasing cover. These terms are in place to help explain the full benefits, and limitations of cover. Usually a business would include a more general summary about the insurance policy in the Insurance Product Information Document (IPID). But it's common for more detailed information to be provided in the policy terms and conditions document. I've seen that the online process included links to both these documents before Miss A was given the option to confirm her acceptance of the policy.

BGSL has provided evidence confirming the documents were sent to Miss A by email - both after the original sale, and the renewal. The email address provided by BGSL matches the email address provided by Miss A to this service. I'm satisfied these emails were sent to the correct email address for Miss A. I'm further satisfied that Miss A was provided with links to view all of her policy information, and she did this on several occasions whilst her policy was in force. BGSL has confirmed that its records show some, but not all, documents were viewed during the term of Miss A's policies.

For the reasons provided I think BGSL did enough to explain the terms, conditions, and limitations of cover, and Miss A was able to make an informed decision about the suitability of purchasing contents insurance with BGSL. I can appreciate Miss A's disappointment with this outcome. This situation has clearly left Miss A feeling stressed, upset, and financially out of pocket. But I haven't seen any evidence to persuade me that BGSL's actions have been wrong, or unfair. So I won't be asking BGSL to do anything in settlement of this complaint.

My final decision

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

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss A to accept or reject my decision before 4 July 2024.

Neeta Karelia
Ombudsman