

The complaint

Mrs W is unhappy with Advanced Insurance Consultants Ltd's (AIC) communication relating to a claim that needed to be made on her commercial insurance policy.

What happened

In February 2020, the conservatory on a property Mrs W rented out was damaged. Mrs W says she notified AIC of the damage as she believed it would be covered by her insurance policy. Mrs W arranged for the repairs to be carried out, and the property was subsequently sold in December 2020. In November 2022, Mrs W says she realised she hadn't heard anything more about the claim so contacted AIC for an update.

AIC says Mrs W mentioned the damage briefly during two separate calls in February 2020 and said she would get back in touch when she had a clearer idea of how much the repairs would cost. As they didn't hear anything more from her, no further action was taken. AIC considered an email forwarded by Mrs W in March 2023, which was originally dated 25 March 2020 and says the claim form was attached. AIC said a review of its electronic archive hadn't shown they'd received the email. AIC said they didn't consider they had acted negligently.

Unhappy with AIC's response, Mrs W referred her complaint to the Financial Ombudsman Service. Mrs W's concerns were considered by one of our investigators who said she didn't think AIC had acted unfairly in the circumstances.

Mrs W didn't agree. She said she had a duty of care to her tenants, and the account handler she spoke to in February 2020 wasn't the same as the person managing her account at the end. Our investigator didn't reach a different conclusion, so this matter has been passed to me to decide.

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.

I think it's important to clarify here this decision only focuses on AIC's involvement in the claim. I'm not making a finding on any decision the insurer has taken following the claim being submitted.

I've considered what both sides have said. In the first instance, I accept Mrs W sent an email to an AIC email address in March 2020 and that email referenced a claim form. I haven't seen the original email, only a PDF copy submitted as part of AIC's file. I also accept this was an email address linked to an independent contractor appointed to focus on business interruption claims arising from the Covid-19 pandemic. AIC says that email address ought to have been a 'no reply' email address, and their electronic archive records don't show they received this email from Mrs W. So, while I can see an email was sent, I can't be certain it was received by AIC.

But I'm conscious email wasn't the only way the damage had been reported. I've reviewed two telephone conversations from February 2020 that Mrs W had with an account handler at AIC. These calls both took place just after the damage occurred. During both calls the conversation initially focused on other policies AIC placed for Mrs W and then moved on to the damage to the rented property. During the first conversation, the account handler said Mrs W should obtain a quote for the damage and send it directly to him. In the second call the account handler and Mrs W discussed the quote for the repairs which was still outstanding. A month later, Mrs W sent a claim form to the email address of the contractor appointed by AIC.

I can't know whether the email address Mrs W sent her email to in March 2020 was a no reply email address as AIC say. AIC say this person was a contractor appointed for a specific piece of work focused on business interruption. It's not clear why Mrs W chose to email this person who had sent a generic email about an unrelated matter, rather than her account handler who she had previously discussed the damage to be claimed for on two separate occasions.

In November 2022, prompted by an audit undertaken by an accountant, Mrs W asked about progress of the claim. I've seen an email from the account handler who initially spoke about the damage with Mrs W. In the email dated 14 November 2022 the account handler asked Mrs W to forward on the email she sent in March 2020. He seems to have reviewed this email but says the claim form attached was blank.

I'm satisfied AIC initially made it clear Mrs W needed to direct any quotes for the damage to the account handler she spoke to in February 2020, but Mrs W emailed someone else instead (albeit, with an AIC linked email address). I can't be sure that email was received, and I say this based on AIC's comments about the email being a no reply email address, and there being no record of the email being received in the electronic archive system.

AIC say between March 2020 and March 2021, the account handler Mrs W spoke to in February 2020 about the damage to her rental property emailed her in excess of 60 times about various different policies. AIC say 13 of those emails related directly to the damaged property.

So even if the claim form had been received and overlooked by AIC in March 2020, I think the frequency of the contact means there were plenty of opportunities for Mrs W to ask for an update about the claim, including towards the end of 2020 when the property was sold and refunds of premiums for this property were arranged. But Mrs W didn't ask for an update on the claim, despite having arranged repairs costing several thousand pounds.

I appreciate in early 2020 the start of the Covid-19 pandemic meant things were very difficult and this, in some areas, meant a long wait for repair works to be carried out. And I note what Mrs W says about the property being rented to a difficult tenant and these two things played a part in her moving forward in her arranging for the repairs to be carried out. But ultimately, Mrs W chose to move ahead with the repairs, despite not having any assurances from her broker they'd passed her claim on to her insurer or having received assurances from her insurer that the claim was being considered.

In summary, I'm satisfied AIC had been clear about what information they required from Mrs W to submit the claim to Mrs W's insurer. I'm not persuaded AIC are the solely responsible for the claim not being submitted to the insurer, and I don't hold it responsible for any decision taken by the insurer. I'm not going to require AIC to take any further action to put things right for Mrs W.

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 Mrs W to accept or reject my decision before 10 December 2024.

Emma Hawkins
Ombudsman