

## **The complaint**

Mrs L and Mr L complain about how Halifax General Insurance Services Limited (Halifax) responded to their request for details of a previous home insurance policy.

Halifax use agents to administer the policy and to assess claims. References to Halifax include these agents.

This decision covers Mrs L and Mr L's complaint to this Service about Halifax, as the insurance intermediary for the home insurance policy. It doesn't cover the insurer (underwriter) of the policy, a separate business (R).

## **What happened**

In October 2023 Mrs L and Mr L contacted Halifax about a historical home insurance policy they took out in 1998 as a condition of their mortgage. The policy ran for several years. However, Halifax were unable to locate or provide any details of the policy.

Mrs L and Mr L requested details of the policy because it had come to their notice that a telecoms firm (B) had installed a telephone pole next to a retaining wall at their property around 2002. Mrs L and Mr L thought the pole affected the foundations of the wall, creating a danger to the structure and integrity of the wall and preventing repairs. Mrs L and Mr L provided evidence of the damage the pole had caused, but B refused to accept responsibility for the damage. Mrs L and Mr L thought the historical policy might provide some coverage for damage caused by the pole, through legal cover for damage to property.

Because Halifax couldn't provide details of the policy, including a policy certificate, they complained to Halifax (October 2023). They said delays retrieving the policy details were causing unnecessary risks, given the deterioration of the wall.

Mrs L and Mr L also raised concerns about Halifax's data protection and retention policies and the handling of their personal data. Halifax subsequently replied to say data about the policy had not been retained, in accordance with their data retention policy.

Halifax issued a final response to Mrs L and Mr L's complaint in March 2024 (though Mrs L and Mr L said they didn't receive it at the time). Halifax said due to the time since the policy was in place (up to 2007) they no longer held details of the policy. Their data retention policy was for information to be retained for a maximum of seven years for statutory liability and ten years if there was a legal or regulatory reason to retain information beyond seven years. Halifax said their policy complied with the requirements of the General Data Protection Regulations (GDPR).

Halifax issued a further final response in July 2024, confirming their earlier decision not to uphold the complaint. Halifax also said they were a standalone business in 2007, not part of the wider group of which it was currently part. That might also be why they weren't able to locate details of the policy. From what Mrs L and Mr L had said about the damage they thought had been caused by the pole, Halifax suggested Mrs L and Mr L might want to approach their current home insurance provider. Or they might contact the provider of the mortgage at the time, under which it was a condition to take out a home insurance policy.

Mrs L and Mr L then complained to this Service, saying Halifax hadn't kept proper records of the policy, meaning they were unable to provide any details to them. This failure directly affected their ability to address the damage to their wall, should the policy provide cover for the damage. Mrs L and Mr L provided copies of historical bank statements showing payment of premiums for the policy. They wanted Halifax to find and provide details of the policy.

When providing their business file as part of this Service's investigation of Mrs L and Mr L's complaint, Halifax said they'd carried out further searches for the policies in force at the time referred to by Mrs L and Mr L. Having done so, Halifax had located two policy numbers (for buildings and for contents insurance) for which the insurer was a separate business (R). Halifax said Mrs L and Mr L would need to contact R directly for further details of the policies, or should they wish to consider a claim under the policies. Halifax offered £50 compensation for any inconvenience caused to Mrs L and Mr L.

Mrs L and Mr L declined Halifax's offer of compensation and asked that our Service investigate their complaint. They didn't think Halifax had handled their enquiry about the historical policies reasonably, nor their subsequent complaint. The situation with their wall and the ongoing dispute with B had adversely affected the potential sale of their property. The delays caused by Halifax in obtaining policy details had exacerbated the situation, causing them stress.

Our investigator upheld the complaint, concluding Halifax hadn't acted fairly. She noted Halifax wasn't the insurer of the historical policies held by Mrs L and Mr L (which was R). Halifax's role was as an insurance intermediary, supporting the administration and performance of the policy (as a contract of insurance). Mrs L and Mr L had raised concerns about the handling of their personal data with Halifax and they'd also raised their concerns with the Information Commissioner's Office (ICO). However, the remit of this Service didn't include issues relating to personal data and data protection, so wouldn't extend to the data handling and data retention policies of a business. It was the responsibility of the ICO to determine whether a business had complied with GDPR requirements.

However, the investigator concluded Mrs L and Mr L had waited longer than they should for an answer to their enquiry to Halifax. And they'd made further enquiries and located policy numbers. They'd offered £50 compensation for inconvenience to Mrs L and Mr L. While Halifax bore no responsibility for the issues Mrs L and Mr L say were caused by the pole, the delay in confirming the policy numbers (and insurer details) caused upset to Mrs L and Mr L, in addition to the inconvenience Halifax accepted they'd caused. And Halifax could have provided the information about the policy numbers earlier than they did. To put things right, the investigator thought Halifax should pay a further £100 compensation, in addition to the £50 offered by Halifax (making a total of £150).

Mrs L and Mr L disagreed with the investigator's view and requested that an ombudsman review the complaint. They said the issues with the pole had led to significant financial and emotional stress and the financial impact could be considerable. Halifax's actions had exacerbated the situation because of the delay in providing information about the policy numbers, which had hindered their ability to take action on the issues with the pole and seek what they considered to be a proper resolution. Mrs L and Mr L also thought their complaint to this Service should take account of any findings the ICO might make.

### **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.

My role here is to decide whether Halifax have acted fairly towards Mrs L and Mr L.

The key issue in Mrs L and Mr L's complaint is Halifax's response to their enquiry about historical home insurance policies they held from 1998 to 2007 (when it appears the policies were cancelled). Mrs L and Mr L say the delay in providing policy details (policy numbers) affected their situation where they say a telecoms pole caused damage to a wall at their property. Halifax initially said they weren't able to locate details of the policies as their data retention policies meant details weren't retained after either seven or ten years. But in responding to this Service's investigation of Mrs L and Mr L's complaint, they were able to locate policy numbers for Mrs L and Mr L to follow up. They also accept they caused some inconvenience to Mrs L and Mr L, offering £50 compensation.

In considering Mrs L and Mr L's complaint, I think it important to be clear about the remit of this Service, as an informal dispute resolution service for complaints about financial services businesses. Our remit doesn't include issues about data protection or data retention, or whether a business has complied with the requirements of the GDPR or other data protection legislation and regulations. That is properly a matter for the ICO, and I note Mrs L and Mr L have raised their concerns with the ICO.

It's also important to note our remit doesn't cover the actions of B as the telecoms business with whom Mrs L and Mr L are in dispute, saying the pole has damaged their wall. That would be a matter for Mrs L and Mr L to pursue with B (and any relevant regulatory authority responsible for oversight of B).

And this complaint is about Halifax as an insurance intermediary, whose responsibilities are for the administration and performance of an insurance policy. They weren't – and aren't – the insurers or underwriters of the policies Mrs L and Mr L were seeking details of (which were R). As an insurance intermediary, they wouldn't be responsible for any claims Mrs L and Mr L may think they could make under the policies for damage to their property. Again, that would be the responsibility of R as the insurer.

Looking at the circumstances of this case, Halifax appear to have taken some five months to respond (formally) to Mrs L and Mr L, initially saying they didn't have any record of the policies for which details had been requested. As I've said, data retention and data protection policies are properly matters for the ICO, not this Service. So, I won't comment on that part of Halifax's response.

However, subsequent to their final response(s) Halifax were able to locate details of two historical insurance policies (and the insurer of those policies) to enable Mrs L and Mr L to make further enquiries of the insurer (R). Mrs L and Mr L have shared a response they've received from R, saying they haven't retained details of the policies, given the elapse of time since they were in place.

So, while Halifax have provided some information, they provided it later than they could have done had they made the further enquiries at the time Mrs L and Mr L first contacted them. So, Halifax have caused delay in Mrs L and Mr L obtaining information about the policies. However, while the delay would have caused distress and inconvenience, I don't think it would have changed the outcome of Mrs L and Mr L's subsequent enquiry to R about the policy details. Given the response from R, even had Mrs L and Mr L contacted them in October 2023 (or shortly after) I think R's response would have been the same.

I've also noted what Mrs L and Mr L have said about the financial impact of the situation they are in because of the issue with the pole and the impact they say it has had on their wall (and consequently on their ability to sell their property). I recognise their situation, but it's not

the responsibility of Halifax, so it wouldn't be fair or reasonable to ask Halifax to pay compensation in this respect.

However, as I've said, delay providing a response to Mrs L and Mr L's enquiry and the policy numbers would have caused distress and inconvenience them. I've thought about this in circumstances of the case and the published guidance from this Service about our approach to awards for distress and inconvenience. Taking these factors into account, I think £150 compensation for distress and inconvenience would be fair and reasonable.

### **My final decision**

For the reasons set out above, it's my final decision to uphold Mrs L and Mr L's complaint. I require Halifax General Insurance Services Limited to:

- Pay Mrs L and Mr L £150 compensation for distress and inconvenience.

Halifax General Insurance Services Limited must pay the compensation within 28 days of the date we tell them Mrs L and Mr L accept my final decision. If they pay later than this they must also pay interest on the compensation from the date of my final decision to the date of payment at 8% a year simple.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs L and Mr L to accept or reject my decision before 11 December 2024.

Paul King  
**Ombudsman**