

The complaint

Mr A has complained that Barclays Bank UK PLC (“Barclays”) mis-sold him a Blue Rewards Home insurance policy in 2019.

Mr A says that Barclays incorrectly told him that, as long as items were less than £2,500, they would be covered by the policy, both within and outside of the UK.

What happened

Whilst on holiday in 2023, unfortunately Mr A had a neck chain stolen. Mr A submitted a claim on his Blue Rewards Home insurance policy, but the claim was declined on the basis that the item he claimed for was not covered by his policy whilst away from home.

Unhappy with this, Mr A complained to Barclays and said that he’d been given wrong information by Barclays when it sold the policy to him. He says he was told that he would be covered for all items away from home up to the value of £2,500.

Barclays issued its final response to the complaint on 23 March 2024 and didn’t uphold the complaint.

After Mr A referred his complaint to this service, one of our investigators assessed the complaint, but they didn’t think the policy had been mis-sold.

As Mr A didn’t accept the investigators conclusions on the matter, the complaint was referred for an ombudsman’s 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 considered everything that has been provided, I’m unable to uphold this complaint. I will explain why.

Looking through everything on file, including the point-of-sale documentation, I’m satisfied that the policy was sold to Mr A on a non-advised basis. This means that Barclays didn’t have to check that the policy was suitable for his personal circumstances. But what it did need to do is provide Mr A with all of the important information about the cover it provided – as well as any important terms or exclusions – to ensure that Mr A could make an informed decision of whether the insurance was right for him.

During the sale, Mr A says that Barclays specifically told him that any valuables are covered up to £2,500 *away from home*, and so Mr A would only need to provide the details of any valuables that are above this amount if he wanted them to be covered away from home. Mr A says this is why he only told Barclays about his watch, as the neck chain in question was worth less than £2,500.

In its response to the complaint, Barclays said that Mr A would have to take up his concerns with the insurer. And simply added that it is the customers responsibility to check the cover is right for their circumstances.

However, whilst it is the case that the insurer is responsible for handling claims correctly and fairly, Mr A's complaint is about how the product was sold to him, rather than how the claim was handled. And Barclays is the business who sold the product to Mr A. Therefore, I don't find Barclays' response to the complaint to have been particularly helpful in the circumstances, as it didn't really address Mr A's concerns.

But having said that, I need to decide whether I think that Barclays did anything wrong, or acted unfairly, during the sale of the product. And Barclays maintains that it had not given Mr A misleading information during the sale of the policy.

Unfortunately, there is no record of what exactly was said during the sale of the policy. So, it's difficult for me to determine whether Mr A was given wrong or misleading information, or whether it's the case that he was given the correct information and he just misunderstood what he was told. But where matters are in dispute and evidence is incomplete, as is the case here, I need to decide what I think most likely happened based on all of the evidence that *is* available.

To help me decide this complaint, in addition to Mr A's testimony, Barclays has provided this service with a copy of Mr A's policy schedule, the statement of fact and important information documents which I understand were generated following the sale of the product. Barclays has also provided evidence of the sales screens that its staff would needed to have gone through with Mr A to complete the sale.

The sales screen show that the contents insurance provides cover up to £10,000 for valuables, and says that if the customer needs more cover than this, there is a drop down menu to select a higher amount. Below this it asks if the customer has any single valuable items worth more than £2,500. However, upon clicking on the yes it says:

"Important

You need to tell us about all valuables you own that are worth over £2,500 that you never take away from home. Things like watches, and items of jewellery are covered only at home as part of your contents cover. You can tell us about items you want covered away from home later – don't include them here."

Therefore, based on the above, I think it's likely that Barclays did make it clear items worth more than £2,500 did need to be declared. But I also think it would've been made clear, that related only to items that remained within Mr A's house, and that the sales process deliberately required items to be covered away from home under a different section of cover, which was to be addressed later on in the sales process.

Also, given that Mr A wanted his watch to be covered away from home, I don't think that his watch would've been registered at that point in the sale. Instead, it seems likely that the watch would've been recorded later on in the process - when registering personal items to be covered when away from home.

However, I understand that any items to be insured away from home would need to be specifically registered. As such, I don't think it's likely that the member of staff said that Mr A's valuables would be covered away from home if they were below £2,500 - as there is no mention of such amount in relation to the away from home Personal Items cover.

Furthermore, in the documentation that was issued to Mr A on 22 May 2019 in the schedule it said:

“Personal Items Cover

This provides worldwide cover for Jewellery and watches, handbags and furs, money musical instruments and other items of value in and away from the home.”

And the only item listed in this section of the schedule was Mr A’s watch. Furthermore, it said that money was covered up to £250 and that personal items that have been stolen from a locked boot are covered up to £1,500. Therefore, the schedule made it clear that even if Mr A had his chain stolen from the boot of his car that it would still not be covered (as its value exceeded the cover for this specific insured event). And more importantly, there was no mention that items below £2,500 would be covered automatically when away from home.

Also, in addition to the above, I can see that in the renewal documentation issued on 26 April 2023, under the personal items section of the schedule, it said that unspecified personal items were *not* covered when away from home. And again, only Mr A’s watch was listed as being covered away from the home. So, I think the renewal documentation made it clear that only his watch was covered whilst away from home.

Overall, I recognise Mr A’s frustration when he discovered that his chain was not covered when away from home. But I’ve not seen enough here for me to be able to conclude that Barclays had given Mr A wrong or misleading information about the ‘away from home’ cover included with his insurance. And I think the documentation that Mr A was given made it clear that only his watch - and not his neck chain - was covered when away from home. Because of this, I don’t think it would be appropriate to say that Barclays should pay Mr A the value of his declined insurance claim.

As a final point, I note that the value of Mr A’s watch was different between the initial documentation and the later renewal documentation. It’s not clear to me why the value of the watch varied slightly. But I don’t think that affected the matter that Mr A has complained about – that being that he says he was misled into thinking his chain would be insured away from home, when it wasn’t.

I appreciate that Mr A will be disappointed by this decision, but I hope I have been able to explain the reasons why I can’t find in his favour on this occasion.

My final decision

For the reasons given above, I’m unable to uphold this complaint.

Under the rules of the Financial Ombudsman Service, I’m required to ask Mr A to accept or reject my decision before 23 December 2024.

Thomas White
Ombudsman