

The complaint

Mrs S has complained that when she set up a new Landlord Insurance policy to cover her rental property, buildings cover wasn't included.

What happened

Mrs S had a policy covering her rental property which was due to renew on 31 July 2022. She renewed it and paid the renewal premium before the renewal date. She then contacted UKI via a webchat and asked if legal expenses cover was included. She was told it was not. She asked if she could add it but was told she couldn't now that she had renewed the policy. Mrs S then obtained a quote for a new policy including legal expenses cover and cancelled her existing policy from the renewal date via a further webchat. She then started the new policy a few days before the other policy ended. This policy didn't include buildings cover.

Mrs S's property was damaged by her tenants, and she made a claim under her new policy in April 2023. She was told there was no cover for the building and that this meant any damage to it wouldn't be covered.

Mrs S complained to UKI on the basis she had chosen buildings cover, and it must have been excluded due to an error by UKI. UKI wouldn't alter its position. So, Mrs S asked us to consider her complaint.

One of our investigators said Mrs S's complaint shouldn't be upheld. This was on the basis there was insufficient evidence to support her view that buildings cover had been excluded from her new policy due to an error by UKI.

Mrs S did not agree with the investigator and asked for an ombudsman's decision. She thinks the webchat transcripts show she was discussing her new policy including both buildings and legal expenses cover. And that this is reinforced by the fact cover for buildings is a core element of the policy cover. She has also referred to a redacted section of a transcript of a call she made about her claim, which she thinks could support her complaint. And she doesn't believe the screenshots UKI has provided prove there wasn't a problem with its system.

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 done so, I've decided not to uphold it for the same reasons as our investigator.

I appreciate Mrs S is sure that she chose buildings cover for her new policy. But the evidence available does not support this. The detail of the quotation UKI has provided shows that buildings cover wasn't selected. And the schedule sent to Mrs S for the policy shows structure (buildings) as not insured. There is nothing at all that I have seen that suggests that there was a problem with UKI's system and buildings cover was missed off when Mrs S's policy was set up, despite her opting for it. So, I think there is insufficient evidence for me to

conclude this was the reason buildings cover wasn't included.

I'm also satisfied Mrs S was provided with clear documentation for her new policy showing the structure (building) at her property wasn't insured. And, while buildings cover is a fundamental part of the policy, it is still an optional section of cover, which some landlords decide not to have. So, it's not something I'd expect UKI to have included automatically.

I've reviewed the transcript of the webchat between UKI and Mrs S when she cancelled her existing policy and mentioned she'd got a quotation for a new one. And, while she may have thought she had included buildings cover under her new policy, she didn't specifically mention this or ask the webchat agent to check it was included. She did mention the new policy was cheaper despite it including legal expenses cover. And the webchat agent was clear in that they said it seemed unlikely that it would be cheaper if legal expenses cover had been added. And that it was highly possible something had changed between when Mrs S had renewed the previous policy and when she did the quote.

I've listened to the part of the call that UKI redacted in the transcript it provided. This is an internal conversation between the person Mrs S was speaking to and a claim handler. All the claim handler said was he was looking into what to do in light of the fact buildings cover had been on Mrs S's previous policy. However, he didn't mention at any point that the reason it wasn't on her new policy could have been some sort of error with UKI's system. In fact, nothing he said suggested he even thought this was a possibility.

In summary, there is insufficient evidence for me to conclude that buildings cover was omitted from Mrs S's new policy for her rental property due to an error by UKI. Therefore it would not be appropriate for me to uphold her complaint and require UKI to deal with her claim.

My final decision

I do not uphold Mrs S's complaint about U K Insurance Limited.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs S to accept or reject my decision before 5 May 2025.

Robert Short
Ombudsman