

The complaint

Mr D and Mrs D have complained that A plan holdings (A Plan) mis-sold them a home insurance policy.

What happened

Mr D and Mrs D arranged an insurance policy through A Plan, which was an independent intermediary. A few years later, Mr D and Mrs D had a fire at their home. They made a claim under their policy. The insurer voided the policy and declined to settle the claim. It said it wouldn't have offered cover if it had known some of the roof was made of steel.

Mr D and Mrs D complained to A Plan. They said they had been asked to provide information to A Plan in order to get a quote. This included a question about whether the property was of standard construction, which they could only answer with yes or no. They had asked A Plan how to answer the question and had been told to provide the closest answer. They asked if they should put "tile" and A Plan replied "yes".

When A Plan replied to the complaint it didn't uphold it. It said when the policy was first taken out, it had asked Mr D and Mrs D whether the property was of standard construction and they had answered yes. Mr D and Mrs D later confirmed they wanted to proceed with the quotation. It had provided policy documents. These said the quotation and policy booklet should be checked to confirm they were issued in line with Mr D and Mrs D's requirements. At each renewal, Mr D and Mrs D were sent documents. They were told to check the documents to ensure the details were correct and to make contact immediately if any of the information was incorrect. It said it was satisfied it had met its service standards. It enclosed a cheque refunding the premiums.

Mr D and Mrs D complained to this Service. Our Investigator didn't uphold the complaint. He said the sales call recording no longer existed. So, it wasn't possible to listen to what advice was given. The documentation provided when the policy was first taken out and at renewal said the roof was "tile". This information was the basis on which the insurer provided the policy. He said there wasn't evidence to show Mr D and Mrs D were incorrectly advised. As the information about the roof construction was incorrect, Mr D and Mrs D had the opportunity to raise this, including at the renewals. So, he said A Plan didn't need to do anything further.

As Mr D and Mrs D didn't agree, the complaint was referred to me.

I issued my provisional decision on 29 January 2025. In my provisional decision, I explained the reasons why I wasn't planning to uphold the complaint. I said:

Mr D and Mrs D have said they were mis-advised by A Plan about how to answer the question on the roof construction of their home when they first took out the policy. They have said this also meant they didn't have any reason to think the information recorded on the documents was incorrect at each renewal or to query this. So, I've looked at what happened.

This was an advised sale. This meant A Plan had a duty to ensure it asked relevant questions to make sure any policy it recommended to Mr D and Mrs D met their needs. The sales phone call no longer exists. I'm satisfied that A Plan is unable to retrieve the phone call. So, I've looked at the other available evidence.

Mr D and Mrs D told this Service A Plan sent them a multiple-choice tick box questionnaire with limited responses to tick. So, they phoned A Plan to say they couldn't accurately complete the questionnaire as there weren't choices applicable to their property. It was then they were told to "fill in the closest answer". They asked if ticking the box for tiles would be ok and were told yes. I asked A Plan about the multiple-choice questionnaire and to be provided with a copy of it. A Plan said it doesn't issue a multiple-choice questionnaire. So, I'm unclear what questionnaire Mr D and Mrs D were referring to.

However, A Plan provided this Service with a copy of a questionnaire completed by A Plan when Mr D and Mrs D enquired about taking out the policy. This was a printed form that listed a range of information to be completed and questions to be asked. This showed it was completed on 3 February 2020 and it was over the phone. It included details such as the address of the property and Mr D and Mrs D's details, along with basic details about the property. It then showed the questions asked and the answers given by Mr D and Mrs D, all of which could be answered yes or no. One question was "Is it standard construction? (Brick/ Stone/ Tile/ Slate)". "Y", meaning yes, was circled as the answer.

I asked A Plan for further information about this. It said "No mention of Steel was declared otherwise [this] would have prompted [the] consultant to circle 'N'". It also said "Had the client confirmed the roof not to have been of standard construction during the call i.e. partially steel, the follow up discussion/questioning would have been detailed within the handwritten quote sheet.". On the form there was an "Additional notes" box. This box was empty.

So, although the phone call no longer exists, there is a record of what was discussed during the phone call. I'm not persuaded I have reason to think the form doesn't accurately summarise what was discussed. So, I haven't seen evidence that persuades me there was likely to have been a discussion about the construction of the roof, other than the question asked about whether it was standard construction. I think it's reasonable for me to think a contemporary record of the conversation is likely to be reliable, despite Mr D and Mrs D's recollection of the conversation, a few years later, being different.

I've also looked at the policy documents A Plan issued at inception and at each renewal. These explained to Mr D and Mrs D the importance of checking the documents and making contact if anything was incorrect. The documents also explained the potential consequences if the information was incorrect, including that it might invalidate the cover. The documents listed the roof as "tile". So, I think Mr D and Mrs D had an opportunity to raise any concerns both when the policy was first taken out and at each renewal.

So, having thought about this carefully, I don't currently intend to uphold this complaint or to require A Plan to do anything further in relation to it. I think A Plan asked relevant questions in order to recommend the policy, along with explaining the consequences of providing incorrect information. I haven't currently seen any evidence that persuades me A Plan mis-sold the policy.

I asked both parties to send me any more information or evidence they wanted me to look at by 12 February 2025.

A Plan didn't reply. Mr D and Mrs D replied. In summary, they said:

- When they first took out the policy, they discussed with A Plan that there was a section of slate roof and a section of steel roof. That A Plan hadn't recorded this seemed to be a tactic for avoiding payouts later.
- When they received renewal documents, there were no changes and they assumed their home was insured.
- They hadn't seen A Plan's notes of the call that I had referred to, but they queried whether phone calls were meant to be recorded and kept.
- They had no reason not to tell A Plan about the roof construction.
- If my mind was unchanged, they requested that I ask A Plan to re-issue the cheque for the premium refunds because they hadn't cashed it.
- Something similar had happened with their new insurers. They had explained over the phone about the roof and the policy document only stated tiles/ slates. They questioned whether this was a way for insurance companies to avoid making payouts.
- Steel roofs were quite common where they lived, so the question about non-standard construction was misleading in itself.

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 don't uphold this complaint and for the reasons given in my provisional decision. As part of that, I've thought about Mr D and Mrs D have said, but this doesn't change my view about what is a fair and reasonable outcome to this complaint.

I'm not persuaded I have any reason to think the written record of the call was inaccurate or that A Plan deliberately failed to write down what was discussed. It's my understanding that the call was recorded. However, A Plan was unable to retrieve the phone call. From what I've seen, it took various steps to retrieve the call but was unable to do so.

Mr D and Mrs D should discuss the cheque with A Plan, so that any issues can be dealt with directly. However, A Plan will now be aware Mr D and Mrs D are concerned about the cheque because it hasn't been cashed. I'm also unable to comment on Mr D and Mrs D's new insurance policy. If they have concerns about the documents or the accuracy of the information, they should raise this with that insurer.

My final decision

For the reasons I've given above and in my provisional decision, my final decision is that this complaint is not upheld.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr D and Mrs D to accept or reject my decision before 13 March 2025.

Louise O'Sullivan
Ombudsman