

The complaint

Mr D complains about the service he received from Howden UK Brokers Limited (Howden) after he tried to make a claim on his home insurance policy.

What happened

Mr D took out a home insurance policy with Howden, an independent intermediary. The policy has been underwritten by an insurer I'll refer to as A and renewed annually in June.

In October 2020, Mr D contacted Howden to inform it of water damage to a barn situated on the property. Mr D and Howden discussed the matter, and the claim didn't progress. Mr D then arranged for a surveyor to inspect the barn. But due to Mr D's personal circumstances at the time, the surveyors report wasn't completed until November 2022 - and it wasn't passed to Howden until June 2023, ahead of the time the policy renewed.

In February 2024, Howden passed the surveyors report to A for it to consider the claim. A said the report highlighted a number of issues with Mr D's property, including flood damage to the barn from 2020. And had it known about this when the policy renewed, it wouldn't have offered cover. A initially said it would cancel the policy in March 2024. But, after Howden discussed the matter with A, it agreed to maintain the policy until the June 2024 renewal – but on restricted terms.

Mr D complained to Howden. He said Howden didn't refer the claim from October 2020 to A like it should have done and instead it rejected the claim. He said it was Howden that told him the damage wasn't the result of a flood, which is why he didn't disclose flood damage at any of the subsequent renewals.

Howden considered the complaint. It said it didn't decline Mr D's claim and instead it was waiting for further information from him. And because it didn't receive it, it didn't progress the claim. It acknowledged it didn't send A the surveyors report as quickly as it should have done but explained it had agreed with A for it to keep the policy active, albeit with some restrictions in cover. It said given the policy is still in place, it didn't think its actions to delay sending the report to A made a difference to the position Mr D found himself in. Mr D remained unhappy and referred a complaint to this Service.

Our Investigator considered the complaint but didn't recommend it be upheld. She said Howden had acted reasonably in the circumstances of things. Mr D rejected our Investigators findings, so the complaint has been referred to me for a final 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.

It's important to note that this decision focuses solely on the actions Howden took in their role as an independent intermediary. Howden is responsible for selling, renewing and

administering the policy. That includes communicating clearly with Mr D and acting effectively as an intermediary between him and A.

As the underwriter, A is responsible for decisions about claims, whether to offer or cancel a policy, and what terms to include within a policy. So I won't be able to consider any of those activities against Howden. Mr D is entitled to make a complaint about A.

2020 communication between Mr D and Howden

Mr D says Howden unfairly declined his claim for damage to the barn when he spoke with it towards the back end of 2020.

In short, Howden thought it had been clear the claim was unlikely to be covered based on the available information, so he should go and obtain more information about the cause of the damage and return if he wanted to make a claim. Whereas Mr D thought the claim had been fully declined because there wasn't a flood. And so, it was down to him to deal with the damage alongside other maintenance issues. Mr D now knows Howden didn't pass the claim to A in 2020, and he thinks it should have done.

Due to the passage of time since Mr D contacted Howden to register the claim, the call recording isn't available. So, I can't be certain of what exactly was discussed. But I've seen a call note that summarises the conversation, which I think explains why Howden didn't refer the claim to A. It says *"I spoke to the client, and he said that the membrane on the wall had failed and was causing water to come in to the barn/outhouse. I am not certain that the policy will respond as it ... doesn't sound like an insurable peril. [Mr D] will get an expert to attend to and then if the damage has been caused by ie leaking pipe weather related issues he will call back."*

I understand Mr D feels strongly Howden refused the claim – and I appreciate why he may have felt like this, but I don't think Howden declined or refused the claim like Mr D says.

That's because most home insurance policies don't provide cover for every eventuality. Instead, they provide cover for damage caused by a range of perils that might happen. These are specific one-off events that are listed within the policy, including damage caused by a storm, an escape of water or flood. And most home insurance policies don't provide cover for damage that's happened gradually or as a result of wear and tear. And in the first instance, the onus is on the policy holder to demonstrate they have a valid claim.

Based on Mr D's description of what he thought was the cause of the damage, on the face of it, seems to suggest a failure in the building's materials, and something not caused by a one-off event. So, I think it's unlikely a claim with A would have been successful at that time, even if Howden had passed the claim to A. And I think it gave clear instruction, such as appointing a surveyor to inspect the barn to determine the exact cause of the damage, and for Mr D to get back in touch once he knew more. Unfortunately, that didn't happen. But I don't think Howden acted unreasonably at the point Mr D reported the claim. Whilst it may have been preferable for it to have let Mr D know he could have made a claim, despite it being unlikely to succeed, I don't think it's likely that would have improved his position.

Sending documentation to A

I note Mr D was dealing with some extremely difficult family matters around the time he logged the claim, which I was sorry to hear about. And because of this he didn't arrange for an inspection of the barn (and the rest of the property) until sometime later, around November 2022. He sent this to Howden for consideration in June 2023.

Howden passed this on to A for its consideration, which I think was the right thing to do, as it could have impacted policy cover and potentially given rise to a claim. A considered it and initially said it would cancel the policy. I'm unaware if A considered Mr D's claim once it received the surveyors report. But as I explained, this decision doesn't focus on the actions of A – and if Mr D is unhappy with the way A dealt with the claim or the service it provided, that's something he'd need to complain to A about in the first instance. And if Mr D remains unhappy with A's response to his complaint, he's entitled to refer that complaint to this Service for an independent investigation.

Although Howden took longer than I'd expect to send the report to A (which I'll discuss more about later) I think its actions to send the report to A were reasonable, and something I'd expect it to do. It follows, I'm not asking it to take any further action.

Misrepresentation

As I've noted above, once A received the report it initially said it would cancel the policy. It did so on the basis that Mr D had failed to inform it at any of the subsequent policy renewals that the property had been subject to flooding. Mr D doesn't dispute this. But he says he followed the advice of Howden when it emailed him around the time he first reported the damage saying *"at this stage we wouldn't class as flooding. It would be classed as ingress of water but would need further investigation to confirm."* as to why he didn't declare it at renewal.

I appreciate Mr D's point of view on the matter. And I can understand why he acted on these comments. Although I don't think Howden confirmed the damage was caused that way, and instead seem to imply it *might* be, I'm aware Mr D had sight of the surveyors report from November 2022, which clarified the cause of the damage, so I think he could have reasonably relied on this when answering the questions at the June 2023 renewal, and I think the findings of the report, and its conclusions on the cause of damage supersede the earlier comments made by Howden.

Mr D seems to have continually engaged with Howden throughout the life of the policy and I can see he's previously disclosed other things in the past pro-actively. Nothing leads me to believe Mr D was purposely not forthcoming with the information he provided when the policy renewed. But I can't hold Howden responsible for the way he answered A's questions at the June 2023 renewal.

But in any event, A didn't cancel the policy. And I think Howden took the appropriate steps to discuss the policy with it, along with the circumstances leading up to the potential cancellation, which helped ensure the policy remained in force, albeit with some restrictions in cover. Given the circumstances, I think Howden acted reasonably in this regard.

As I mentioned above, Mr D sent Howden a copy of the surveyors report in June 2023 but it didn't send it to A until February 2024. Whilst I appreciate there was a delay in Howden's actions, I don't think that's made a material difference to the position Mr D has found himself in.

Howden had the report before the renewal was confirmed. I think it ought to have recognised the importance of sharing it with A promptly, as it could have had an impact on the renewal in June 2023.

Had it done so, A may have acted along the same lines as it did in March 2024, with Howden's input, to offer the policy on restricted terms. Or A may have declined the renewal

and Mr D would have been given a different policy. That other policy may also have been on restricted terms, or normal terms with a likely higher premium.

Regardless, it's not clear Mr D would have been in a better position than he was in relation to his policy cover. And whilst he suffered some distress thinking his policy may be cancelled mid-term, Howden didn't initiate the cancellation – and it's likely some similar distress would have occurred finding a new policy at the June 2023 renewal anyway.

As I don't think Howdens actions to delay sending the report to A has made a material difference to the position Mr D now finds himself in, I don't think it needs to do anything further.

My final decision

My final decision is I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr D to accept or reject my decision before 25 April 2025.

Adam Travers
Ombudsman