

The complaint

A limited company, which I will call L, has complained about the actions of its insurance broker, PolicyBee Ltd.

Mr C, as director of L, has brought the complaint on L's behalf.

What happened

Policy Bee arranged L's business insurance policy, as its broker. In December 2023, L contacted PolicyBee to discuss a potential claim under the policy following theft of some work equipment from a vehicle.

PolicyBee says that when Mr C contacted it to report the loss of the equipment he said it had been in the front passenger footwell. PolicyBee says it told him the claim may not be covered, as the policy would only cover theft from a car if the stolen items were in a locked boot. PolicyBee says Mr C then said the equipment had been in the boot. PolicyBee passed the claim onto the insurer on the basis the equipment had been in the footwell. The insurer declined the claim and cancelled the insurance policy based on the information provided by PolicyBee in the claim submission.

Mr C is very unhappy about this and complained. He said PolicyBee misrepresented what he said and he had made clear that the equipment had been in the footwell and he did not say it had been in the boot.

PolicyBee does not accept it did anything wrong. It says it provided the details of the conversation it had with Mr C about the claim to the insurer, as it is expected to do, and it correctly and accurately relayed what had been said.

As Mr C remained unhappy, he referred the matter to us. He has made a number of points in support of his complaint. I have considered everything Mr C has said and have summarised his main points below:

- the broker incorrectly wrote down what he said, this may have been on purpose.
 - He never said the equipment had been in the boot of the vehicle.
 - He asked about coverage for items left in the boot in order to understand the cover provided.
 - Crucially no fraudulent claim was submitted: the claim was submitted on the basis the items were in the footwell of the vehicle.
 - If PolicyBee had recorded the call, he'd be able to prove his case.
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- PolicyBee failed to support him during the claim process.
 - He specifically asked if he should submit the claim, given that it would likely be unsuccessful. Despite this, the broker advised him to proceed and he followed its recommendation in good faith.

Mr C is very unhappy that his honesty has been questioned and says this has been a painful

and bewildering attack on his character. Mr C wants PolicyBee to compensate him for the financial and reputational damage caused by its mishandling of the matter, as well as for the stress and difficulty caused by leaving him unrepresented during this process.

One of our Investigators looked into the matter. She did not recommend that it be upheld, as she did not think there was enough evidence to conclude that PolicyBee had done anything wrong.

Mr C does not accept the Investigator's assessment. As the Investigator was unable to resolve the complaint, it has been passed to me.

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.

PolicyBee does not have an audio recording of the call in question but it has provided a note it says was written at the time of the call. It is the content of this note that was sent to the insurer on the same day as the call took place.

As there is no audio recording it is impossible for me to be certain what was said. I therefore have to consider the evidence that is available and weigh up what I think is the most likely on the basis of that available evidence.

I have considered the note made by PolicyBee of the call made by Mr C in December 2023. It says that Mr C called to see if making a claim would affect his insurance. PolicyBee asked what happened and where the stolen equipment had been. PolicyBee's note says that Mr C told it the equipment was in the footwell to which PolicyBee said it may not be covered, as items stolen from an unattended vehicle are required to be in a boot, storage compartment or trailer.

The note then goes on to say:

"The insured then advised it was in the boot. I asked if this was correct as he had already said in the footwell.

Insured advised no - he should have had a think before calling and said the boot. He has paid insurance and now not covered. Insured asked if this call was being recorded. I advised not but I will make a full note of the call and what is said I advised against providing the incorrect information for a claim as this can be viewed as fraud and effect his insurance

Agreed to send insured a claim form as requested."

In his complaint form to us, Mr C said he was told that the theft: *"would not be covered due to the equipment's location in the car. I inquired about policy coverage for items in the boot space but consistently confirmed that the stolen equipment was in the front footwell."*

Mr C is adamant that he did not say the stolen equipment was in the boot. He suggests PolicyBee misunderstood what he said or misrepresented what he said, perhaps deliberately out of vindictiveness.

I think it is unlikely that PolicyBee misunderstood (deliberately or otherwise) Mr C asking generally about policy coverage for items kept in the boot.

I say this because the note is relatively detailed about the conversation and the information provided by Mr C, and what PolicyBee has recorded that Mr C said about the items being in the boot, is supported by the notes regarding Mr C's concern about the claim not being covered and whether the call was being recorded. Given this, I think it is unlikely PolicyBee would have recorded that Mr C said the stolen items were in the boot if he had not said this.

As far as I am aware, Mr C has not made any comment about why he asked if the call was being recorded.

Having considered this carefully, while I acknowledge I cannot be certain, it seems to me that the call note is likely to be a reasonably accurate record of what was said by Mr C to PolicyBee during the call in December 2023.

This information was sent to the insurer the same day, which also confirms to me that it was a contemporaneous note. I do not think PolicyBee acted incorrectly in sending that information to the insurer. I acknowledge the claim was submitted on the basis that the items were in the footwell but I think PolicyBee had an obligation to pass on what it was told during the claim notification call.

Mr C also says that PolicyBee did not support him through the claim process. However, as a broker, its involvement in the claim process will be limited. I can see that it passed on information and made contact with Mr C and the insurer when necessary. There is no evidence as far as I can see that PolicyBee should reasonably have taken any action that it failed to do in relation to the claim, and even if it did, that this impacted the outcome of the claim.

Mr C also says he submitted the claim, knowing it was unlikely to be successful, based on PolicyBee's advice. He therefore implies that if it had not given this advice, he would not be in the position he is now. I note the call note says PolicyBee agreed to send his claim form "as requested". While a broker can advise on likely outcomes, it is for an insurer to determine if a claim is covered under one of its policies. I do not therefore consider that PolicyBee did anything wrong in agreeing to submit L's claim.

I can understand Mr C's point that the claim was submitted on the basis the items were in the footwell and therefore he says no misrepresentation was made to the insurer about where the items were in the vehicle. However, the handing of the claim and the cancellation were a matter for the insurer. I cannot make any comment or finding in this decision, which is only about whether PolicyBee did anything wrong, about the actions of the insurer.

Having considered everything carefully, and while I am mindful of the difficulty L now has in obtaining alternative insurance cover, I do not consider PolicyBee did anything wrong.

My final decision

I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask L to accept or reject my decision before 15 August 2025.

Harriet McCarthy
Ombudsman