DRN-5504066

The complaint

Ms A is unhappy with the 2023 renewal of her contents insurance policy with Advisory Insurance Brokers Limited. She believes that she may not have been insured during the 2023/24 policy year and would like her premiums refunded and compensation for the poor customer service provided.

What happened

In September 2023, Ms A called to renew her contents insurance policy with Advisory's office in Colchester. There has been some confusion about the number of calls that Ms A had with Advisory. Ms A had two policies with Advisory, a contents policy with their Colchester office and a buildings policy with the Croydon office. This complaint is about the contents policy, which the Colchester office administered. Ms A may have had calls with the Croydon office about her other policy too, although I won't be considering those here.

I've carefully considered all the evidence and have reviewed the information obtained by our investigator. I won't detail all the facts of this complaint here, as the parties are fully aware of them. But in summary, when renewing her policy in September 2023, Ms A asked for a copy of it by post and confirmation of receipt of her payment. She knows she paid as she has a credit card record of having done so, and Advisory have confirmed this was received. But Advisory had some system issues at the time and no postal copy of the receipt or confirmation of the policy was sent to Ms A as she'd requested.

When Ms A got her renewal in 2024, she phoned Advisory to complain that she'd not had last year's policy documentation. She was then provided with a copy of the renewal invitation and a renewal confirmation which had been put together for her by a manager. That document appeared to have copied across some mistakes from the 2022 policy that she'd previously had to make changes to. So, she didn't consider that there was adequate evidence that she'd either had a policy or was fully insured for everything she should have been. So, she requested her premiums be refunded if this could not be demonstrated to her.

Advisory say that Ms A was insured and has provided us with system notes to show that payment was received for the policy. We've also had a copy of the renewal telephone call in September 2023.

Our investigator thought that Advisory had sufficiently demonstrated that Ms A had been insured and said that whilst there had been some poor customer service with regard to the failure to send Ms A the copy documentation, the £50 offered by Advisory was appropriate compensation for that.

Ms A didn't agree. She didn't consider that the investigator had adequately investigated whether or not the policy underwriter, which I'll call B, had in fact received their share of the premium for the renewal of the Advisory policy. So, Ms A had called B, and the call handler couldn't find any record of her having been insured with them. Ms A requested an ombudsman's review of her complaint.

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.

I'll start by saying that I wholly appreciate why Ms A was concerned she wasn't insured. The documents that Advisory provided her did have errors in them and it's clear that they had been copied from a previous policy. There are a few differences I noticed, not least that an artwork worth a significant sum is on the renewal confirmation but isn't in the renewal pack. This appears to have happened because of the 2023 renewal system error, with a manager having reconstituted the documentation for Ms A in 2024.

So, Ms A was right to bring this to Advisory's attention, and I can see why she may have thought she was either under-insured or not insured at all. At this service, we see many complaints where administration errors have occurred, and sometimes documents need to be reconstituted. It's unfortunate that Ms A's case is another example of this. But this doesn't mean that Ms A was either under or un-insured. I've listened to the renewal call in September 2023, and I understand that Ms A now accepts that she didn't make changes to her policy at that time, but she did ask for some typos to be amended and for one element of cover to be dropped. She then paid the renewal on her credit card.

I've been provided with Advisory's system notes, and these do indicate that the policy was more likely than not renewed. I know Ms A has called B, who told her that they had no record of her being a customer for that policy year. I appreciate why this will have worried her further. I'm afraid that it's not uncommon, with broker-branded policies such as this one, for the customer records to be on different systems to B's direct policies – and these often aren't available to customer facing staff. So, whilst I don't doubt that Ms A had this conversation, I don't consider this to be definitive evidence that she didn't have a policy underwritten by B.

It's also important to note that, in circumstances like Ms A's, if I were to have found that Advisory had made a mistake and not renewed her policy, and in turn Ms A had unfortunately needed to make a claim, that doesn't mean that she would have been left out of pocket. In complaints where that's happened, we'd generally require that a broker step into the shoes of the intended insurer and have the claim assessed and paid in line with what would have been the policy terms. And they'd normally be entitled to deduct the value of the premium too. So, Ms A would be unlikely to have lost out in any event.

In Ms A's case, I have found that the policy was more likely than not renewed and that this was in line with the policy renewal documentation that she discussed with Advisory on the phone in September 2023. But there has been a breakdown in Advisory's customer service. This was caused by a system issue. Advisory tried to help resolve the problem by re-issuing the policy documentation, but made errors when doing this, which made matters worse.

I've considered the compensation of £50 that Advisory has offered Ms A. It's accepted that it was at fault for not sending her the requested documentation. But I have also found that she was insured during the period in question. So, whilst Ms A was rightly upset about the miscommunication, I'm satisfied that £50 is an appropriate amount of compensation for the trouble and upset that she was caused.

I appreciate that Ms A will likely be disappointed with my decision, but I hope that my explanation of why I have reached this conclusion will at least help set her mind at rest that she would have been adequately covered during that policy year.

My final decision

It's my final decision that the compensation of £50 offered by Advisory Insurance Brokers Limited was fair and reasonable in the circumstances and, if this has not been paid already, it should now pay it. I won't be requiring it to do anything more.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms A to accept or reject my decision before 7 October 2025.

James Kennard
Ombudsman