

## **The complaint**

Mr E complains about Tesco Personal Finance Limited (trading as 'Tesco Bank') and says they didn't properly deal with a claim he told them about.

## **What happened**

Mr E held a home insurance policy that was arranged and administered by Tesco Bank, who were acting as an insurance intermediary. He contacted them to ask whether there was anything in his policy wording that would prevent him from being reimbursed the costs of repairing his garage door that he had paid for in January 2024.

Tesco Bank said they didn't have enough information to confirm whether Mr E was making a claim – so they sent him a letter requesting that he call them in June 2024. Mr E was unhappy with this and sent several more letters asking why he couldn't correspond via email and asking for confirmation of any reason why he couldn't be reimbursed his repair costs under the policy wording. Ultimately, Mr E remained unhappy with Tesco Bank's handling of his requests, so he raised a complaint.

Tesco Bank issued three responses covering the various aspects of the complaint. The first was in May 2024, in which they explained that if Mr E was making a claim, he would need to contact the underwriters of the policy, as this was a separate company to Tesco Bank. They then issued a second response in June 2024 and said that they had written to Mr E requesting he call them for more information. But they acknowledged that this templated letter they had sent out had been incorrect and could have caused a misunderstanding, so they issued £25 compensation. Finally, Tesco Bank issued a third response in July 2024 in which they expanded on their earlier response and said they didn't have access to the underwriter's systems to log a claim and that Mr E would need to contact the underwriters directly – in line with the information provided in his policy documents – if he wanted to discuss a claim. But they did acknowledge a letter from Mr E had gone unanswered, so they issued a further £25 compensation.

Mr E remained unhappy with Tesco Bank's response and brought it to this Service. He said Tesco Bank had repeatedly ignored his requests for confirmation of whether his repair costs could be refunded under his policy. And he said if Tesco Bank couldn't deal with the claim, they should have forwarded his claim to the correct department.

An Investigator looked at what had happened but didn't think the complaint should be upheld. She explained that Mr E had sent several letters to Tesco Bank, but as they were not the underwriter of the policy, this meant the claims team hadn't had sight of the letters. And she said as it wasn't clear what the cause of the damage was, it wasn't unreasonable for Tesco Bank to request more information by asking Mr E to contact them, as they said they were unsure whether he wanted to make a claim or raise a query, and they needed this information to signpost him to the correct business. Ultimately, the Investigator said that because Tesco Bank don't deal with claims, as they aren't the underwriter, and they had provided Mr E with the correct information so he could contact them to query the potential claim, she thought they had acted fairly. She also thought the compensation awarded for the service failing was fair in the circumstances.

But Mr E didn't agree with the Investigator's recommended outcome. He explained that he had made it clear he was making a claim and Tesco Bank should have passed this information on to the underwriters, and he felt they hadn't done this deliberately. He also said he was unhappy that his policy documents didn't include either an email or postal address and that claims could only be logged via the phone.

Mr E asked for an Ombudsman to consider the complaint – so, it's been passed to me to decide.

### **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 have come to the same overall outcome as the Investigator. I appreciate this is not the answer Mr E had hoped for – so I'll explain why.

I should first set out that I acknowledge I've summarised Mr E's complaint in a lot less detail than he has presented it. Mr E has raised a number of reasons about why he's unhappy about what's happened regarding this matter. He's also provided detailed and extensive submissions about why he disagrees with the Investigator's opinion as to why we can't consider the actions of the underwriters as part of this complaint.

However, in this decision, I haven't commented on each and every point raised, but instead I've focussed on what I consider to be the key points I need to think about. This means I will only be considering the claim notification and not the renewal complaint points, which Mr E has confirmed are now resolved. I don't mean any discourtesy about this, but it simply reflects the informal nature of this service. I assure Mr E, however, that I have read and considered everything he's provided.

I also need to make clear that, in this decision, I'm only considering Tesco Bank's liabilities towards Mr E. I'm aware that there have been a number of issues Mr E has raised about the underwriter's actions and their contact methods. But, as the Investigator has previously outlined, I'm not able to comment on anything the underwriter did or did not do, nor am I able to comment on the underwriter's contact methods within this decision. Should Mr E remain unhappy with the underwriters – he would need to raise a separate complaint against them directly.

The central issue in this decision therefore is whether Tesco Bank acted fairly when Mr E contacted them to request a refund of his repair costs for his garage door, and information on whether there was anything in his policy wording that precluded him from being reimbursed these costs.

Tesco Bank said they needed more information in order to properly respond to Mr E's request. And while I acknowledge he feels that Tesco Bank ignored his requests and he felt this was done deliberately in order to frustrate his claim, I'm not persuaded the available evidence supports this. Tesco Bank explained they needed more information, and from looking at Mr E's letters, I think this was a reasonable position for them to take. Mr E's letters explained he wanted to know whether there was any reason or stipulation in his 2023-2024 policy wording which would have prevented him from claiming a refund of his repair costs.

But from looking at Mr E's correspondence, I'm in agreement that there wasn't enough information on what exactly Mr E wanted in order for Tesco Bank to go on to register a claim on his behalf originally. And as Tesco Bank explained, they do not handle claims directly so

they wouldn't be able to specifically tell Mr E whether his policy responded to the repair costs he wanted to be refunded without more information on what had happened. So, I don't think it was unreasonable for Tesco Bank to request more information initially – nor do I think it was unfair for them to direct Mr E to contact the underwriters to discuss the claim in more detail once they understood he wanted to make a claim.

I can see Tesco Bank directed Mr E to his policy documents which says he needs to register a claim via phone, which I find to be fair. And while I also appreciate Mr E is unhappy that the underwriter requires claims to be made via phone, the underwriter is not a party to this complaint, so I cannot comment on the way it handles claims, and Mr E would need to discuss this with them if he remained unhappy.

Finally, in respect of their handling of the matter, I can see Tesco Bank have acknowledged their service fell short in respect of the templated “call us” letter, as well as Tesco Bank not responding to one of Mr E's letters. I can see they have paid £50 compensation in respect of these issues. That means I don't need to make an extended finding on whether something went wrong – I just need to consider whether Tesco Bank have paid enough compensation to reflect the errors.

I've weighed up Mr E's testimony, the available evidence, and the duration of the process. Overall, I agree the sum of £50 is fair. I appreciate this may not be the level of compensation Mr E might have hoped for, and it may not fundamentally change matters for him, given his larger concerns. But I consider it to be in line with the level of compensation appropriate to this complaint, and I'm satisfied awarding this amount produces a fair and reasonable outcome in this particular case. Ultimately, I find that Tesco Bank have acted reasonably, and I won't be asking them to do anything more or to increase the award already made.

In respect of Mr E's other concerns over his claim itself, I understand he is now in contact with the underwriters to progress it. If he remains unhappy with their handling of the claim or any other aspect of how the policy operates, he should raise that with the underwriters directly.

### **My final decision**

For the reasons explained above, my final decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr E to accept or reject my decision before 7 August 2025.

Stephen Howard  
**Ombudsman**