

The complaint

Miss S and Mr T are unhappy with the sale of their home insurance policy by Avantia Insurance Limited trading as HomeProtect ('Avantia'). Upon making a home insurance claim following a flood, they've discovered that they had a £2,500 compulsory flood excess on their policy. They think they were mis-sold the policy, as this wasn't highlighted on the price comparison website that they purchased it through.

What happened

The parties are aware of the background to this complaint, so I won't set it all out in detail again here. In summary, Miss S and Mr T bought their home insurance through a price comparison website around the same time that their previous policy came up for renewal in October 2024. The sale of the policy was on a non-advised basis. The search results indicated that for the policy available through Avantia, there was a compulsory buildings cover excess of £100 with an additional voluntary excess of a further £100.

Miss S has said that their previous policy didn't have a significant flood excess and that in the ten years that they'd lived there, the property hadn't flooded and wasn't within 200 meters of any watercourse. That accords with the declaration they made when taking out the policy.

Miss S says that they wouldn't have purchased the policy had they known that there was such a significant flood excess. She considers that the price comparison website information was misleading and that Avantia should be held to that, rather than its own documentation in which the excess is stated on the Schedule of Insurance. She thinks this should have been highlighted to them, given its significance.

Our investigator considered Miss S and Mr T's complaint but didn't recommend that it be upheld. He thought that Avantia didn't need to take responsibility for the information provided by the price comparison website and that in any event the information given by Avantia in the insurance documentation sent to the policyholders was clear.

Miss S and Mr T didn't agree and requested an ombudsman's 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.

I can completely appreciate why Miss S and Mr T were upset to find they had quite a significant flood excess on their insurance when they were unfortunate enough to suffer a flood at their home. This must have been very upsetting. But I'm sorry to disappoint them, as like our investigator, I too am not upholding their complaint. I'll explain why.

I've noted that Avantia have paid Miss S and Mr T £75 compensation for the difficulty they had raising their concerns with them. This part of their original complaint hasn't been referred to us, so I won't be considering that here.

Avantia was acting as an intermediary in the sale of the home insurance policy. It's not the insurer and so isn't responsible for the claim itself – so, I won't be considering the claim here either. What it was responsible for was the sale of the policy and the information that was provided to Miss S and Mr T as part of that process. I agree with Miss S that Avantia must also take responsibility for the information provided by the price comparison website. It has authorised the inclusion of its policies on the site and so I have considered the entire sales journey here.

The duty on the seller of an insurance policy is to make sure the consumer is given enough information that is clear, fair, and not misleading, so that they can make an informed choice about whether the policy is right for them.

The thing with price comparison websites is that they often display a significant number of search results, which a consumer is then required to pick from using limited information. So, for the most part, there's not much detail on there. But that is only the start of the sales journey. I agree with Miss S that the search result here didn't show the additional compulsory excess for flood cover. It just stated the standard buildings and contents excesses of £100 each, as well as an additional voluntary excess of £100.

Miss S thinks that because they didn't have a large compulsory excess for flood with their last insurer, and that their home wasn't a flood risk, this was a significant term that should have been highlighted to them. She has also said that if the details weren't on the price comparison website, she doesn't think it's reasonable to expect a lay consumer to read through the rest of the policy documentation, which they should be entitled to expect is the same.

There are circumstances in which we might say that where the information shown on the price comparison website conflicts with that in the policy documentation, the customer has not been treated fairly, assuming they've then gone on to suffer a loss as a result. But here the information on the price comparison website was very limited, and there was a large button next to that, which Miss S and Mr T will have needed to click through to get more detail and to purchase the policy from Avantia direct.

So, I don't think it was reasonable to expect all the details of the insurance to have been included on that first search result. For example, there's no indication on there that there would also be a compulsory excess of £1,000 for subsidence claims, although that is something that is pretty standard for most home insurance policies. But like the flood excess, this is included in the full details of the policy on the Avantia website when you click through to make the purchase.

There are also normally many terms and conditions applicable to home insurance policies that vary between insurers. And I wouldn't expect those all to be highlighted on the price comparison website search results page. But that's not to say this is always the case, as we do sometimes see policy terms that are so significant and unusual that they should be highlighted to a customer at some point in the sales journey. But this isn't a case where the relevant term was hidden away on page 46 of a 60-page policy document. It was in the insurance schedule.

I appreciate that Miss S and Mr T may not have had a flood excess on their previous policy, but that doesn't mean that their insurer considered the flood risk to be low, just that it may have already built the risk cost of that cover into the overall price of its policy. Whilst I haven't found that this is such a significant and unusual term that it should have been highlighted on the price comparison website search result, it was clearly set out on the summary of cover on Avantia's website, which Miss S and Mr T will have clicked through to complete the purchase.

I've also seen the policy documentation that Miss S and Mr T were sent confirming the details of their policy. The flood excess is clearly set out in the Insurance Schedule, something that I think it's generally reasonable for an insurer to expect their customer to read. There was also a 14-day cancellation period if Miss S and Mr T were unhappy with the terms.

Avantia has told us that the flood excess here reflects the risk cost to the insurer of providing this cover and that by having a higher excess this will have helped to reduce the price of the policy overall. That may well be why the price was comparable to others shown on the website as Miss S has said. But that doesn't mean that the inclusion of the higher excess was unfair, and I haven't found that Miss S and Mr T were mis-sold their policy as a result.

My final decision

It's my final decision that I don't uphold this complaint. I won't be requiring that Avantia Insurance Limited trading as HomeProtect do anything more than they've already agreed to do.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss S and Mr T to accept or reject my decision before 26 August 2025.

James Kennard
Ombudsman