

## The complaint

Mr N complains Beddington Insurance Services (Wimbledon) Limited ('Beddington') failed to meet their obligation as a broker when his home insurance policy was due to renew.

## What happened

Mr N took out a property insurance policy through Beddington, acting as his broker, in November 2023. The policy was underwritten by an insurer who I will refer to as "R" in this decision. Mr N explained to Beddington he had recently moved into a new build property, and this was his first time arranging home insurance. Beddington arranged the policy over the phone and provided Mr N with the policy documents by e-mail. The new business cover letter explained the policy would run from November 2023 to November 2024 and explained if R was able to offer renewal, the policy would renew automatically, and a renewal quotation pack would be sent so Mr N could check whether the cover remained suitable for him.

Mr N said he understood from this letter that his policy would automatically renew and says he made all payments towards the premium via monthly direct debit. But he said he did not receive any communication from Beddington during the policy year to suggest anything had changed and didn't receive any renewal documents in November 2024. He also noticed no payments had been taken from his account around the time he expected the policy to renew. Mr N said he was planning to speak to Beddington about this once he returned from a holiday in December 2024.

Unknown to Mr N at the time, R had written to Beddington in October 2024 and requested further information in order to decide whether to offer renewal terms to Mr N. They asked Beddington to contact them to provide the information they requested but said Beddington did not provide a response. Unfortunately, upon returning from his holiday in December 2024, Mr N discovered his property had been burgled.

He reported this to R in early January 2025, but they told him the policy had expired and they hadn't offered renewal terms because Beddington hadn't responded to their underwriting request for more information. Ultimately, R declined to cover Mr N's claim as they said there was no insurance cover in place at the time of the loss.

Mr N raised a complaint to Beddington and said they had failed to act on R's renewal request and had allowed his policy to lapse without telling him. He said Beddington accepted this error when he spoke to them and had apologised, explaining R's correspondence was not acted on due to staffing pressures. However, Mr N said Beddington later denied responsibility and directed him to R to deal with the claim. Ultimately, Beddington did not provide a written response to Mr N's complaint – so, he brought it to this Service. While the complaint was being investigated, Beddington provided a submission over what they felt had happened. Beddington said they had made it clear in the policy documentation the policy would expire and didn't feel there was a duty to arrange a renewal unless Mr N had instructed them to do so directly. They also said Mr N ought to have known he was uninsured because he hadn't received renewal terms and didn't receive any direct debit request for the next year's premium but hadn't contacted them about this. Beddington also

said, even if they had arranged a renewal, they felt Mr N had undervalued his cover and R likely would have declined to cover the claim on that basis.

An Investigator then looked at what had happened and recommended the complaint should be upheld in part. She accepted Beddington should have passed on R's information request and they had failed to do so, which amounted to poor service that they should pay £200 compensation for. But the Investigator didn't think Beddington should cover the losses Mr N was claiming as she said he hadn't queried the lack of renewal documents or further premium payment requests if he expected the policy to continue and hadn't taken steps to ensure cover was in place himself.

Beddington agreed with the Investigator's recommendation, but Mr N did not. He maintained that he reasonably believed his policy would renew automatically and he emphasised that R had contacted Beddington in good time before renewal to request further information they needed in order to issue a renewal, but Beddington had failed to respond or pass this onto him which prevented him from renewing the policy. Mr N said if he had been told about the underwriting request from R, he would have provided whatever information was needed and ensured cover could continue or arranged insurance elsewhere.

### **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've reached largely the same outcome as the Investigator. I've set out my reasons below.

The evidence I've seen shows that R contacted Beddington in October 2024 and requested further information in order to decide whether renewal terms could be offered. Beddington has already acknowledged they ought to have passed on the renewal information to Mr N when they received it but they didn't due to staff shortages and workload pressures. In my view, this amounted to a service failing and I'm satisfied Beddington fell short of the standard of service Mr N was entitled to expect from his insurance broker.

Even where a policy is not guaranteed to renew automatically, I think it's fair to conclude a broker should act on material correspondence from an insurer which directly affects a customer's ability to maintain cover. And where an insurer indicates that further information is required to consider renewal, I find it's reasonable to expect the broker to bring this to the customer's attention so renewal options can be discussed, or alternative cover considered.

Beddington has said they assumed Mr N had sought cover elsewhere and he did not seek confirmation from them himself. But I think this ignores a broker's professional responsibility and by failing to make Mr N aware of the renewal information R had requested, Beddington allowed the policy to lapse without Mr N being made aware of R's position. So, I find Beddington's service fell short here, and they should have made Mr N aware of R's information request.

However, I also need to think about all of the other relevant circumstances of a complaint when deciding on a fair and reasonable outcome. While I appreciate Mr N has requested his full loss be covered by Beddington because he says, but for their error, his claim would have been paid, I'm not satisfied I can fairly direct Beddington to do this.

By Mr N's own testimony, he says he was aware he hadn't received any renewal terms from Beddington. And he also said he was aware no payments had come out of his account around the time he assumed the cover would renew. Mr N said he planned to speak to

Beddington once he returned from a holiday between November and December 2024, but by the time he returned, the burglary had already occurred.

I've also considered the losses Mr N says were stolen or damaged in the incident. The list is extensive and includes high-value items such as jewellery, designer clothing and accessories, as well as cash. Many of the items do not have receipts. The total value Mr N is claiming also significantly exceeds the contents sum insured under the policy of £100,000 and the policy didn't include specified items for high-value possessions.

I can see the policy documents provided to Mr N at the original inception of the policy outlined the duty of disclosure required of him and said that any misinformation could result in part or all of a claim not being paid. The policy terms also specifically outline that valuables (which includes jewellery and watches) "*...should be insured for the current replacement value*". The cover also specifies that cover for such items "*...only applies if they are shown as included in your policy schedule.*"

In those circumstances, I think it's reasonable to conclude an insurer would likely have had concerns about the absence of specified items being declared and the adequacy of the sums insured. I also think it's reasonable to conclude an insurer would investigate these issues and conclude there was underinsurance present. So, I think Mr N has to take some responsibility for everything that's happened here. And, taking all of this into account, I'm not persuaded the available evidence demonstrates Beddington's service failure materially altered the outcome Mr N experienced. And as such, it would not be fair or reasonable to direct Beddington to compensate Mr N for the losses themselves.

I want to make it clear that despite my finding above, I do recognise Beddington's service fell short, and R's request should have acted upon or passed to Mr N. I consider this to be a service failing and one that Beddington should pay a sum of compensation for.

In terms of making a compensation award, it's important for me to highlight that this Service doesn't punish or fine a business. And any award I make is not intended to compensate Mr N for the claimed burglary losses themselves. A compensation award is intended to reflect the impact a business's actions had on their customer. I can see the Investigator previously felt a sum of £200 was fair and reasonable in the circumstances. So, I need to decide whether that's enough compensation to put things right.

I've considered Mr N's testimony about how he says this claim affected him. I haven't detailed everything here, but I've considered everything he's submitted. And I've also considered this Service's published guidance on compensation, as well as the particular circumstances of this case.

Taking all of that into account, I'm satisfied the Investigators recommended award for distress and inconvenience of £200 is fair and reasonable, and is appropriate to reflect the impact of Beddington's service failure on Mr N.

### **My final decision**

For the reasons I have set out above, my final decision is that I uphold this complaint in part. I direct Beddington Insurance Services (Wimbledon) Limited to pay Mr N £200 compensation for distress and inconvenience.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr N to accept or reject my decision before 13 March 2026.

Stephen Howard  
**Ombudsman**

