

The complaint

Mrs C and Mr C are unhappy about how Howdens UK Brokers Limited has handled the administration of their insurance policy and the authorisation of payments for their insurance claims following an incidence of subsidence and a flood at their home.

What happened

Mrs C has brought this complaint to our service and whilst Mr C has consented to her doing so, given the allegations made against him, he has not had any involvement in our investigation. So, I'll mostly be referring to Mrs C in this decision.

Whilst I won't go into all the history of this complaint, as the parties are fully aware of the background, it should be noted that the subject matter is sensitive. Mrs C alleges that Howdens may have colluded with her ex-husband, Mr C, to exclude her from any decisions in relation to whom the insurance payments for their claims should be paid. She was in a vulnerable situation following her split from Mr C and she'd not known all the details of the insurance claims or the extent to which payments were being made. Mrs C is concerned that Mr C has not spent all the money on repairing their family home and that this has led to its value depreciating and a lack of prospective purchasers.

I'll start by saying that I was very sorry to hear about the situation that Mrs C has found herself in and how this has affected her health. This cannot have been at all easy for her.

Our investigator considered Howdens' actions. She didn't find that Howdens had colluded with Mr C to deprive Mrs C of the insurance proceeds. She thought that Howdens had taken into account the vulnerable situation that Mrs C was in once they knew of her concerns and had taken steps to communicate with both Mr and Mrs C jointly thereafter. But she did find that Howdens had not properly updated their policy records and that this had led to some miscommunication with Mrs C. She had believed that she'd only recently been added to the policy, rather than having been a policyholder since inception with the underwriter in 2019.

So, our investigator partly upheld the complaint and recommended compensation of £150 be paid. Howdens accepted this but Mrs C didn't agree. She feels that she has suffered a considerable loss to the value of her home and holds both Howdens and the policy underwriter responsible.

Another ombudsman has already decided that we are unable to look into the complaint against the underwriter, as we didn't have the necessary consent or cooperation of Mr C for us to properly consider that complaint. Mr C has, however, consented to us considering this complaint against Howdens, but I will only be considering its actions, and not those of the underwriter, in this 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 should like to assure Mrs C that I've carefully reviewed the evidence that she has provided us, and though I may not mention something in this decision that she considers to be important, I have thought about everything she has said.

I know that Mrs C will be disappointed to hear that I agree with our investigator that there is little evidence here to suggest that Howdens was in some way colluding with Mr C to exclude her from information relating to the claims or their payment. So, I won't be upholding that element of her complaint. I do, however, think that Howdens' policy administration was lacking, and that this did give rise to some potentially misleading communications, which I do not doubt were upsetting for Mrs C. But I don't think this means Howdens must take responsibility for what Mr C may or may not have done with the proceeds of the insurance claims. It does mean though that it should pay some compensation for how this has made Mrs C feel.

Mrs C has told us that the family have had a 20-year relationship with a named broker at Howdens. They will have known that Mrs C was a joint insured party with Mr C on the policy for their jointly owned family home. But it has always been Mr C that has dealt with the insurance. So, Howdens had Mr C recorded as the main contact in its records and it was him with whom it communicated about the annual renewals and any claims

Between the first and second claims, Mr and Mrs C separated, although with no instructions to the contrary, Howdens continued to correspond with Mr C only. It was only in May 2024 that Mrs C made enquiries of Howdens about her status as a policyholder. There was a delay in getting back to her, but the tenor of the correspondence in the interim was that she would be added to the policy, and it was later confirmed to her that this had been actioned.

Whilst I haven't found this to be intentional, I can see why Mrs C will have found this misleading. She's all along been jointly insured on the policy, and whilst the renewal documentation was clear to that effect, when Howdens took over the policy from another broker in 2022, the records hadn't shown Mrs C as a joint policyholder. It was this which Howdens were updating, although Mrs C mistook that to mean that she hadn't previously been on the policy. Mrs C thinks that this was part of an attempt to keep the insurance details from her so that Howdens could cover up facilitating payments to Mr C on his sole instructions before then. But I don't think there's any evidence to that effect. I've found that it was an administrative error, for which I shall be providing that Howdens pay compensation for the distress and inconvenience caused.

Mrs C thinks that Howdens have attempted to withhold information from her relating to the claims. But again, I don't think there's any evidence of that. All claims information will have been held by the underwriter and Howdens needed to obtain that from them before it could be provided to Mrs C. That took some time, but I haven't found that this was a deliberate attempt to keep information from her.

There have also been some concerns about what information and correspondence Mrs C is entitled to see. In that regard, for data protection reasons, Howdens says it has been unable to share with her correspondence that it's had with Mr C only. Howdens has said that it can share any of Mrs C's personal information that it holds and that if she likes she can request this pursuant to a Subject Access Request under the relevant data protection legislation. It didn't, however, receive such a request. I don't consider the stance that it's taken here to be unreasonable, particularly as Mr and Mrs C are now separated and it does not have Mr C's consent to provide that information.

It's clear that Mrs C has been in a vulnerable situation during this entire period. That means that Howdens has had obligations to treat her with care and respect, ensuring that she's been supported along the way. I understand from Howdens that it has taken action to ensure

that Mrs C was supported and that this is noted on their systems and the case handlers have been aware of her situation. It's never easy for a customer in vulnerable circumstances to deal with a policy or product with which they are not familiar. And that's particularly the case here for Mrs C, as Mr C had been the sole point of contact for the insurance for some time.

Once Howdens were aware that Mrs C wished to be involved with the payment of the claims, it took steps to ensure that she was asked for confirmation when payments by the underwriter became due. One particular situation at issue in this complaint was at the end of July when approximately £92,000 was due to be paid and Mrs C was asked for her confirmation that this could be made to Mr C. I've seen from the evidence that there was some communication between Mr and Mrs C about the payment perhaps being made to them jointly, so that they each received half and that this then be used to instruct and pay the contractors. But later that day Mrs C agreed to the whole payment being made to Mr C directly.

Mrs C then contacted Howdens a couple of days later to say that she felt that she'd been subject to coercion by Mr C, with unreasonable deadlines being placed on her to agree to this. So, she wanted to revoke her authority, although by this time the instruction had already been given to the underwriter and couldn't be stopped. Mrs C has said the payment wasn't in fact then made until a few days later, but that doesn't mean that it wouldn't have been in train by then already.

I'm of course very concerned to hear that Mrs C considers that she was coerced by her ex-husband to agree to this payment. I accept that she was at a very low point at the time and was vulnerable. So, it was important that Howdens took that into account. Having asked her for consent to direct the payment to Mr C, I do however think that Howdens did what it should have done in the circumstances. And when learning of Mrs C's concerns, it also decided to change its communications with Mr and Mrs C to ensure that it didn't deal with just one of them by phone, but insisted on everything being in writing, with that copied to the other party. I agree that this was sensible in the circumstances. But I haven't found that it acted unreasonably in instructing the payment that they jointly directed.

I appreciate that Mrs C will likely be disappointed with my findings, but in situations where there is a personal dispute between the parties, it's important that I consider the actions of the business in light of what they were aware of at the time. It wouldn't be fair or reasonable for me to hold Howdens responsible for the fall-out from a breakdown in relations between Mr and Mrs C, particularly as I haven't found that there any evidence of an intention to favour one of them over the other.

An administrative error occurred in terms of Howdens' records which led to Mrs C believing that she may not have been on the policy, but I haven't otherwise found that Howdens should bear responsibility for what Mr C may or may not have done with the money. That was outside of its control and having acted in accordance with the instructions that it had received from Mr C, who had always been the principal correspondent on its files, I don't think that Howdens has acted unfairly or unreasonably here.

Putting things right

Howdens has accepted that its administration error has unintentionally led to Mrs C believing that she may not originally have been on the policy jointly with Mr C. This was later corrected but not before Mrs C will have experienced a degree of upset and inconvenience as a result. For this I will be requiring that Howdens pay £150 compensation.

My final decision

It's my final decision to uphold this complaint in part. I require that Howdens UK Brokers Limited pay £150 compensation for the way they made Mrs C feel.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs C and Mr C to accept or reject my decision before 14 October 2025.

James Kennard
Ombudsman