

The complaint

Mr M complains Saga Services Limited (Saga) mis-sold him a home insurance policy.

What happened

The circumstances of this complaint will be well known to both parties and so I've summarised events.

Mr M held a home insurance policy providing cover for his buildings and contents. He said when he received his renewal in 2024 the premium was excessive and so he spoke with Saga who sold him an alternative policy. During the sale of his policy, Mr M was told his policy included £2,500 worth of cover for unspecified personal belongings.

In July 2024 Mr M made a claim under his home insurance policy following the theft of valuables from his vehicle. He then became aware Saga had failed to include cover for his unspecified personal belongings.

Following a review, Saga agreed to add and backdate £2,500 worth of cover for Mr M's unspecified personal belongings at no extra cost, and paid him £25 for the inconvenience. Mr M paid an additional premium to increase the level of cover to £5,000.

Mr M's claim was settled by the insurer, however it said there was a £1,000 limit for personal belongings stolen from an occupied vehicle.

Mr M raised a complaint with Saga. He said he was told his claim was covered up to the £5,000 limit.

On 4 December 2024 Saga issued Mr M with a final response to his complaint. It said it acknowledged its handler made an error at renewal when they failed to add personal belongings cover, but this had been corrected. It said it was satisfied the handlers Mr M spoke to following this had explained his cover correctly. Mr M referred his complaint to this Service.

Our Investigator looked into things but she didn't uphold Mr M's complaint. Mr M didn't agree with our Investigator. He provided a detailed response but in summary he said he was incorrectly advised about the level of cover provided when he took out this policy. He also said there was no mention of a policy limit for items stolen from a vehicle, and he was told the settlement would be for £5,000.

As an agreement couldn't be reached, the complaint has 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.

I want to acknowledge I've summarised Mr M's complaint in less detail than he's presented it. I've not commented on every point he has raised. Instead, I've focused on what I consider

to be the key points I need to think about. I mean no discourtesy by this, but it simply reflects the informal nature of this Service. I assure Mr M and Saga I've read and considered everything that's been provided.

I also want to be clear about what I've considered as part of this decision. I'm aware Mr M has raised a separate complaint about his insurer in relation to the settlement it paid him and the way it handled his claim. I won't be commenting on this as part of this decision. This decision will focus on the actions of Saga when selling Mr M his policy.

I've listened to the call Mr M had with Saga when he purchased his policy. During this call the handler told Mr M he had cover of up to £2,500 for unspecified personal belongings. However, Saga has acknowledged the handler failed to add this to Mr M's policy as agreed. It subsequently agreed to add this cover to Mr M's policy at no extra cost, and paid £25 compensation as an apology. Mr M then paid an additional premium to increase the cover for unspecified personal belongings to £5,000.

I acknowledge Mr M came away from these conversations with Saga believing his claim would be settled for £5,000, but I don't think this was due to an error by Saga and I'll explain why.

Saga's handlers weren't dealing with Mr M's claim and so I wouldn't expect them to provide advice or information about how Mr M's claim would be settled. And, having listened to the calls Mr M had with Saga, I'm satisfied at no stage did it tell Mr M how his claim would be settled with the insurer.

I acknowledge Mr M has said he was told by a handler his claim would be settled for £5,000. However, the handler he specifically refers to was acting on behalf of the insurer in connection with the claim. And as this decision concerns Saga's actions, I can't fairly hold Saga responsible for statements made by the insurer.

Ultimately, I'm satisfied Saga correctly identified it had made an error by not including unspecified personal belongings cover as part of Mr M's policy, and took the appropriate steps to place him back in the position he would have been in had this error not occurred.

Mr M has said he wasn't made aware there was a separate policy limit in relation to items stolen from a vehicle. I've taken this into consideration, but on balance, I'm not persuaded that Mr M would have purchased a different policy, even had this limit been drawn to his attention.

The policy Mr M previously held didn't include this policy limit, but Mr M has said the price of that policy at renewal was too expensive. So, I'm not persuaded he would have chosen to purchase this more expensive policy in order to remove the £1,000 policy limit. Additionally, Mr M's policy provided him for cover for buildings and contents within his home. I'm not persuaded the £1,000 limit for items stolen from a vehicle was so significant it would have prompted Mr M to seek an alternative policy. The evidence I've seen persuades me that Mr M's decision to purchase his policy was primarily driven by the overall cost of the policy and the level of general cover it provided, rather than the detailed structure of individual policy limits.

I'm aware this will be disappointing for Mr M. However, for the reasons I've explained I don't require Saga to take any further action in relation to his complaint.

My final decision

For the reasons I've explained, I don't uphold Mr M's complaint about Saga Services

Limited.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr M to accept or reject my decision before 24 February 2026.

Andrew Clarke
Ombudsman