

The complaint

Miss G's complained that UK Insurance Limited (UKI) failed to deal with her claim after she contacted them when there was a leak at her property.

What happened

Miss G owns a rental property, which she lets out. She insures the property with UKI. She opted to pay an additional premium for home emergency cover.

In spring 2024, Miss G found out there was an issue at her property. So she called UKI to have this dealt with under the home emergency. She says her call was transferred to another agent. But they refused to deal with her claim. As a result, Miss G had to arrange and pay for a repair to be done herself.

Miss G complained to UKI. She said that she wanted a refund of the premiums she'd paid for home emergency cover as she couldn't use it when she needed to. UKI said that, as the issue was related to the home emergency cover, she would need to raise that with the business they subcontract to deal with those claims. Miss G did that, and the subcontractor said they'd no record of her ever contacting them. So Miss G went back to UKI. But she wasn't satisfied with their response to her complaint. So she brought it to the Financial Ombudsman Service.

Our investigator reviewed the information provided by both parties and concluded UKI needed to do more to resolve the complaint. He was satisfied Miss G's phone records showed she'd contacted UKI - and that the length of calls recorded supported that she had been able to speak to someone, notwithstanding UKI hadn't been able to find any record of that. He noted that, because her claim hadn't been processed, Miss G had had to get repairs done herself, which might otherwise have been covered by the policy.

The investigator said he couldn't recommend Miss G's premiums were refunded. But he did say UKI should assess her claim in line with the policy terms and, if they accepted it, should pay her the cost of the repairs and apply 8% simple interest to that amount. And he said they should pay Miss G £200 compensation to reflect the distress and inconvenience their failure had caused her.

Miss G agreed with the investigator's view. UKI didn't. So the matter's been passed to me to make a final 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.

Having done that, I'm upholding Miss G's complaint. I'll explain why.

There has been some confusion throughout this claim and the complaint, because UKI uses another company to administer and manage claims on their behalf. But I'm satisfied it's

appropriate to consider the complaint against UKI as it is they who underwrite the policy – meaning they are responsible for setting the policy premiums and paying any claims.

There's little evidence of exactly what happened when Miss G contacted UKI, because they have no record of that contact. But, like our investigator, I'm satisfied that Miss G did call UKI – and that the length of the calls on her phone records is consistent with her testimony that they tried to put her through to their subcontractor to lodge a claim. In the absence of any evidence to dissuade me, I'm satisfied that's what's most likely to have happened.

Miss G's testimony is that the person she then spoke to refused to record a claim for her. That could explain why there are no records of what happened. But I'd have expected a claim to be recorded as being lodged, even if it was later rejected. And I don't think it's fair that it wasn't.

Putting things right

I appreciate Miss G was asking for a refund of the premiums she'd paid for home emergency cover. I understand why she'd want that. But, while I appreciate something went wrong on this occasion, that doesn't mean I can say the cover had no value. So it wouldn't be appropriate for me to direct UKI to refund the premiums it charged for that cover.

And – as our investigator explained – when we find a business has done something wrong, we try to put the customer back in the position they would have been if nothing had gone wrong. To do that, there has to be a policy in place.

In this case, had nothing gone wrong, Miss G would have been able to lodge a claim, which would have been considered by UKI and their contractor. A decision would then have been made as to whether or not the claim fell within the policy terms.

So, what needs to happen to put things right is for UKI to assess whether the claim meets the policy criteria – or to have their contractor make that assessment if they prefer. If they decide the claim would have been covered, I agree with our investigator that they should reimburse Miss G the costs she's incurred by having the repairs made herself, together with 8% simple interest calculated from the date Miss G paid for the repairs until the date of payment.

I should point out that this direction doesn't mean UKI will necessarily accept the claim. And they may need Miss G to provide information and evidence of what happened before being able to make a decision either way. If they don't accept it, I'd expect them to do as they would with any declined claim and explain their reasons for that decision to Miss G.

Finally I agree with our investigator that Miss G has clearly been inconvenienced by what happened and she should be compensated for that. So I'm directing UKI to pay her £200 compensation.

My final decision

For the reasons I've explained, I'm upholding Miss G's complaint about UK Insurance Limited and directing them to:

- Assess Miss G's claim in line with the policy terms;
- If they accept it, reimburse the costs Miss G incurred and apply simple interest to that amount, calculated at the rate of 8% per annum, from date Miss G paid the costs until the date of reimbursement;
- If they decline the claim, tell Miss G the reasons for the decline;

- Pay Miss G £200 compensation.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss G to accept or reject my decision before 18 December 2025.

Helen Stacey
Ombudsman