

The complaint

Mr J and Mrs J complain about Advisory Insurance Brokers Limited's actions when attempting to set up a specialist home insurance policy for them.

What happened

The background to this complaint is well known to both parties, so I'll provide only a brief summary here.

Mr J and Mrs J own a property which includes a number of separate buildings. They had this insured with an underwriter, which I'll call X.

When the policy was due to expire in October 2024, Mr J and Mrs J were keen to stay with the same insurer because they had an on-going claim still open relating to a fire at the property.

X no longer provided the same policy through the broker Mr J and Mrs J had previously used. They were willing to offer continued cover but said that Mr J and Mrs J would need to buy their new policy through another broker.

AIB were asked to broker the new policy. And so, they approached Mr J and Mrs J before the previous policy expired.

In brief, Mr J and Mrs J were unhappy that the new policy had different requirements to their old policy. In particular, they were now required to provide a surveyor's report detailing the rebuild costs of each of the buildings. And they were asked to install a particular type of burglar alarm.

They were also unhappy that they hadn't been contacted sooner to arrange the new policy, which meant the whole process became rushed - and led to concerns that they might be left without cover for a period of time.

They also said they were misled in one call to AIB, when it was confirmed that AIB had everything they needed to process the application and set up the policy, despite the fact that Mr J and Mrs J hadn't provided the surveyor's report requested by X.

In response to Mr J and Mrs J's complaint, AIB admitted the error around the surveyor's report, which was in fact required. But they said they'd corrected this with Mr J and Mrs J promptly. And they paid £75 in compensation for the trouble and upset caused by their error.

Mr J and Mrs J weren't happy with this and brought their complaint to us. Our investigator looked into it and didn't think AIB had done anything wrong. He thought the £75 compensation was fair and reasonable given the nature of the error AIB had made.

Mr J and Mrs J disagreed and asked for a final decision from an ombudsman.

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.

We've dealt with a complaint about the insurer separately. I won't be going over that same ground again in this decision. I'm looking only at AIB's part in this series of events.

The fact that X didn't offer exactly the same cover, through the same broker, is a matter for X. AIB are not responsible for the situation Mr J and Mrs J found themselves in when it came to the time to renew their cover.

There's some disagreement about when AIB first attempted to make contact with Mr J and Mrs J. However, they did make contact successfully before the previous policy expired.

And when things proved more complicated due to the requirements of the new policy, AIB confirmed that cover would be in place in the interim period up to Mr J and Mrs J complying with those requirements (which, as I say, were X's requirements, not AIB's).

AIB have admitted their error in wrongly informing Mr J and Mrs J that they had all the information and documentation they needed to proceed. But that was quickly corrected. I agree with our investigator that £75 is fair and reasonable compensation for the confusion caused by AIB's error for a very brief period of time.

As it happened, Mr J and Mrs J chose not to comply with X's requirements, and the policy was therefore cancelled. So, the misinformation provided by AIB didn't have any significant impact – Mr J and Mrs J didn't wish to comply with X's requirements and so, the policy was always going to be cancelled.

In short, AIB contacted Mr J and Mrs J in time for the new policy to be purchased before the previous one expired. It's arguable they were under no obligation to do that in any case. Mr J and Mrs J could have contacted them – and could have done so much earlier - if they had concerns about a potential gap in cover.

AIB then simply passed on X's requirements to Mr J and Mrs J. They made one error in doing so but acted swiftly to put that right. They reassured Mr J and Mrs J that there would be no gap in cover whilst the requirements were under discussion. And they compensated Mr J and Mrs J for that minor error.

I have some sympathy for the situation Mr J and Mrs J found themselves in. I can see why they found the process quite stressful. It was certainly more trouble than it would have been if X had been in a position to simply renew the previous cover.

However, taking all of the above into account, I agree with our investigator that AIB have acted fairly and reasonably in compensating Mr J and Mrs J as they did when they discovered their error.

And so, I'm not going to require AIB to do anything more to put things right for Mr J and Mrs J.

My final decision

For the reasons set out above, I don't uphold Mr J and Mrs J's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr J and Mrs J to

accept or reject my decision before 5 December 2025.

Neil Marshall
Ombudsman