

## **The complaint**

Mr S and Ms T have complained that Saga Services Limited failed to auto-renew their property insurance – meaning they were uninsured when they tried to make a claim.

## **What happened**

Mr S and Ms T bought their property insurance through Saga. The policy was set to auto-renew.

In summer 2024, they contacted Saga to make a claim. At this point, they found out that the policy had failed to auto-renew in early 2022. And they'd been without cover since.

Mr S and Ms T were very upset at finding out they weren't covered and were distressed at the thought of what might have happened if their home had suffered a catastrophic event such as a fire. So they complained to Saga.

In response, Saga said their policy hadn't been renewed automatically because of a system failure – which had since been resolved. And they said they'd sent the potential claim to their claims discrepancies team. This team had said they couldn't consider the claim because of the lack of detail about it, and because they received it more than two years after the policy had lapsed. They offered £60 compensation for this, which they later increased to £150.

Mr S and Ms T weren't satisfied with Saga's response and thought their complaint warranted a much higher compensation award. So they brought it to the Financial Ombudsman Service. Our investigator reviewed the information provided by both parties and concluded Saga didn't need to do any more to resolve the complaint.

She said she'd expect Saga to consider a claim because the lack of insurance was their responsibility. But she couldn't ask them to cover it without them being provided with more information about the claim circumstances. And, while she acknowledged the extent of Mr S's and Ms T's upset at what might have gone wrong, she explained we can only award compensation for what had actually happened – not what might have done. She thought £150 was a reasonable amount to reflect this.

Mr S and Ms T didn't agree with our investigator's view. So I've been asked to make a 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 not upholding this complaint. I'll explain why.

I'm sorry that Mr S and Ms T were so upset by what happened. It's clear from the way they've presented their complaint that they want us to consider what's happened as a court would.

But that's not what we do. We're a free and informal alternative to the courts. And we decide cases based on what we think is fair and reasonable in all the circumstances. Where we think a business has done something wrong, we'll look to put the customer back in the position they would have been in if that hadn't happened, rather than making an award of damages.

In this case, had nothing gone wrong, Mr S's and Ms T's property insurance policy would have renewed automatically. That means it would have been in place when they wanted to make a claim. And the insurer could have investigated the claim and decided whether to settle or decline it.

So, to put them back in that same position, Mr S and Ms T would need to make a claim to Saga, which could then be determined and a claim decision made.

I've seen from the evidence Saga have sent us that they asked Mr S and Ms T for details of the incident they wanted to claim for. Mr S and Ms T have never provided these and have said there was no point in them doing so, as they were told the claim couldn't be considered due to the time that had elapsed.

I've considered this. While I agree that's what Saga's final response says, this was only sent after they'd requested that information from Mr S and Ms T several times. If it had been provided, I'd have expected Saga to consider the claim, even after the amount of time that's elapsed. But I can't say they should do so without having the evidence they would need to assess the claim. And, although Mr S and Ms T have referred in their comments to losses, they haven't provided information about what those losses are. So it wouldn't be reasonable for me to make any award for losses.

Mr S and Ms T have also said they want to claim for potential losses and for the distress what happened has caused them. They've said they've been traumatised by thoughts of what might have happened while they were uninsured.

It's natural they should feel like that. But I can only look at what did go wrong – fortunately nothing catastrophic happened. So, however stressful Mr S and Ms T found the situation, I can't make any award for their distress at what might have been – or for any potential losses.

Saga accept the issue here was caused by a failure in their system and have paid Mr S and Ms T £150 compensation to recognise the distress and inconvenience that caused them. While I know Mr S and Ms T don't agree, I think that's a reasonable amount of compensation here, because the distress stemming from that error lasted only for the time between finding out they were uninsured and rectifying the position. They declined to provide Saga with any information that would enable them to do more. And so I don't think Saga need to do any more to resolve this complaint.

### **My final decision**

For the reasons I've explained, I'm not upholding Mr S's and Ms T's complaint about Saga Services Limited.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr S and Ms T to accept or reject my decision before 4 December 2025.

Helen Stacey  
**Ombudsman**