

complaint.

Mr Y thinks he was mis-sold of his Home Emergency insurance policy by Swinton Group Ltd as it didn't provide cover for his boiler due to its age.

background

Mr Y took out a Home Emergency insurance policy in February 2013 during a phone call with Swinton. In February 2015 Mr Y made a claim as his boiler had developed a problem. But Swinton informed Mr Y that the policy excluded any cover for boilers that were over 15 years old. Mr Y's boiler had been installed about 17 years before.

Mr Y complained to this service. Our adjudicator investigated his complaint and recommended it should be upheld. Swinton hadn't been able to send us a copy of the recording of the phone call during which the policy was sold or a copy of the policy document that was sent to Mr Y in 2013. So it wasn't clear what was said about the age of Mr Y's boiler. The adjudicator thought Mr Y wouldn't have bought the policy if he'd known his boiler wouldn't be covered. He thought the boiler cover was an important part of the policy even though it also covered other things.

Swinton disagreed. It thought the policy was clear that Mr Y's boiler wouldn't be covered. Swinton said it hadn't recommended the policy to Mr Y and he should've read through the policy when it was sent to him. It was a monthly policy so if Mr Y felt it didn't provide the cover he wanted he was able to cancel it at any time.

The complaint has been passed to me.

my findings

I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint.

Swinton says it didn't recommend the policy to Mr Y. But even if it didn't recommend the policy Swinton still had to provide information to Mr Y that was clear, fair and not misleading.

I've seen the policy documents. It does say that boilers over 15 years old won't be covered. And Swinton says Mr Y should've known this by reading the policy when he got it in the post. But I don't know what Swinton said to Mr Y during the phone call or if the age of his boiler was discussed. This was important because Mr Y's boiler was too old to be covered by the policy at the time he took it out.

And I think it's clear that Mr Y wanted the cover mainly for his boiler rather than the other benefits it offered. He immediately cancelled the policy when he found out it didn't provide this. So I don't think the other things covered by this home emergency policy were so important to him that he'd have still taken the policy, even if he'd known the boiler wasn't covered.

On the evidence I've seen I think it's more likely than not that Mr Y was mis-sold this policy. He bought it during the phone call despite it not providing the cover he'd wanted. As there isn't a recording of the call I think it's likely that Swinton said nothing about the 15 year rule

for boilers. And I don't think it's fair or reasonable of Swinton to expect Mr Y to have to check the policy to find such a significant term if it wasn't raised with him earlier.

I'm upholding Mr Y's complaint.

my final decision

For the reasons set out above I uphold Mr Y's complaint. Swinton Group Ltd must pay him back his premiums. Swinton Group Ltd must also pay interest on this amount at the simple rate of 8% per year from the date he started to pay his premiums until he gets them back.

HM Revenue & Customs requires Swinton Group Ltd to take off tax from this interest. Swinton Group Ltd must give Mr Y a certificate showing how much tax it's taken off if he asks for one.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr Y to accept or reject my decision before 29 February 2016.

Jocelyn Griffith
ombudsman