

complaint

Mrs Z has complained that Bank of Scotland plc (BoS) cancelled her home insurance policy because it said she'd failed to disclose some important information.

background

Mrs Z went into a branch of BoS and got a quote for home insurance. The following month she rang BoS to take out the policy. The quote had expired so she had to pay a higher premium. But the policy was based on information in her original application that she had completed in the branch.

Shortly after the policy started BoS wrote to Mrs Z to say that it couldn't provide cover for her. This was because it had checked her claims history and she'd had too many previous claims. It said that Mrs Z had failed to disclose this during the application process. If she had it would have told her that it couldn't offer her insurance.

Our adjudicator thought that it was reasonable of BoS to cancel the insurance. Mrs Z disagrees and so the complaint has been passed to me for a decision.

my findings

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

The application happened in branch, so it's not possible to know what was discussed between Mrs Z and the adviser. But I do have a copy of the paperwork that was generated as a result of the meeting.

As part of the welcome pack, Mrs Z received an 'Insurance Statement' that listed the questions that had been asked and the answers given. At the top it says: '*Claim free period: 6 years*'. Under the eligibility section there are two relevant questions:

b) In the last 3 years have you or anyone currently living with you had 2 or more buildings insurance claims paid?

c) In the last 3 years have you or anyone currently living with you had 2 or more contents insurance claims paid?

According to this document, Mrs Z answered 'No' to both of these questions.

Mrs Z says that she did tell the adviser about her previous claims. I think if she had done, the meeting probably would have ended there, with the adviser telling Mrs Z that she wasn't eligible for cover. I find it very unlikely that the adviser would have completed the documentation in the way that he did if the previous claims had been disclosed.

BoS has provided a copy of its criteria for providing cover. Due to the number of claims that Mrs Z had previously had, I'm satisfied that it wouldn't have offered her cover if it had known about her claims history. So it was reasonable of BoS to cancel the policy.

It follows that I don't uphold Mrs Z's complaint.

my final decision

My decision is that I do not uphold Mrs Z's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs Z to accept or reject my decision before 11 April 2016.

Carole Clark
ombudsman