

## **The complaint**

Mr N and Ms M say that Xbridge Limited trading as Simply Business ('Simply Business') misled them about accidental damage cover under a landlord insurance policy.

## **What happened**

Mr N and Ms M took out a landlord insurance policy through Simply Business's website, which included accidental damage cover. They later made a claim to the insurer after a tenant caused damage to the property. The insurer turned down the claim and said the damage was due to unfinished DIY which wasn't accidental. It said Mr N and Ms M didn't hold contents insurance so they couldn't claim for damage to the carpets.

Mr N and Ms M complained to Simply Business. They said the information on its website had wrongly led them to believe that, if they took out accidental damage cover, they could claim for holes in walls made by a tenant, or damage to carpets.

Simply Business didn't agree that its website had been misleading. Mr N and Ms M brought a complaint to this Service.

Our investigator didn't recommend the complaint be upheld. She thought the website had provided Mr N and Ms M with general information about accidental damage cover and hadn't been misleading.

Mr N and Ms M didn't accept our investigator's findings and so the matter has been passed to me for 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.

Simply Business had a responsibility to provide Mr N and Ms M with information that was clear, fair and not misleading.

Mr N and Ms M have referred to an extract from Simply Business's website that they said they relied on when taking out accidental damage cover. This said:

*'Accidental damage insurance can cover the cost of replacing or repairing part of your rental property if an accident happens, for example if a tenant spills wine on your carpet, or makes a hole in your wall when DIY goes wrong...'*

I agree with our investigator that this is only general information about what accidental damage insurance can cover, and doesn't provide policy specific information. The actual cover provided will depend on the policy taken out, and any decision over whether to pay a claim would need to be made by the insurer, based on its policy terms and conditions.

I've looked at Simply Business's website as it was around the time that Mr N and Ms M took out the policy. If Mr N and Ms M had clicked on a link that was within the above extract, further information was provided about accidental damage cover. This also advised the applicant to make sure they had read and understood any exclusions in the policy, and it confirmed they could read the policy documents before purchase.

Mr N and Ms M didn't take out contents insurance cover, and so they couldn't claim for the damage to the carpets. They said they thought damage to carpets would be covered because of the accidental damage extract I've quoted above.

Although Simply Business didn't give Mr N and Ms M any advice, it was still required to give them sufficient information about the policy so they could make an informed decision.

Simply Business's website at the time explained that accidental damage could be covered under buildings insurance or contents insurance. Further information was provided on the website about the differences between buildings and contents cover, and this explained that carpets are usually covered under contents insurance.

I'm satisfied that Simply Business provided Mr N and Ms M with sufficient information about contents insurance cover for them to make an informed decision about this. I'm not persuaded that the general information about accidental damage cover would have led them to believe that by taking out buildings insurance cover only, they could also claim for any damage to carpets.

Simply Business provided Mr N and Ms M with a policy schedule which confirmed the details of the cover they'd taken out, as well as the policy terms. I'm satisfied these documents contained sufficient information about the cover they'd taken out, and made it clear that they hadn't taken out contents insurance.

Overall, I don't find that Simply Business gave Mr N and Ms M misleading information about accidental damage cover.

### **My final decision**

My final decision is that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms M and Mr N to accept or reject my decision before 11 December 2023.

Chantelle Hurn-Ryan  
**Ombudsman**