

## The complaint

Mr and Mrs R complained that they were mis-sold a home insurance policy by their broker, Cia Insurance Services Limited ("Cia").

## What happened

Mr and Mrs R were sold an insurance policy for an empty property they owned. They had recently agreed a sale on the property, so wanted cover until the sale completed.

When Mr and Mrs R made a large claim with their insurer, they discovered they weren't covered by the policy. Mr and Mrs R felt Cia had mis-sold the policy as they didn't think Cia adequately advised them of the risks associated with it. They didn't think Cia sufficiently questioned them about their cover requirements for it to offer an alternative or appropriate product.

*Cia said "at renewal we quoted the policy based on an unoccupied property, pending sale, at your request. The cover was offered a 3-, 6- or 12-month policy based on restricted cover. Fire, Lightening, Explosion, Earthquake, impact by aircraft and subsidence, this was explained to you during the call and also replicates the cover that was currently provided on your policy. All documentation was then emailed over to you providing full details. All our policies are sold on a limited disclosure basis, we advise you to read through your policy and we provide a 14-day cooling off period should the cover provided not suit your needs. At no time did we have any contact from you or any questions regarding the cover provided. We have attached the documentation provided to you and a copy of the call recording from renewal".*

Mr and Mrs R want Cia to pay the costs of the claim itself as they felt Cia had mis-sold the policy.

Our investigator decided not to uphold the complaint. She didn't think it was mis-sold. She said the agent was clear the sale was on a "*limited disclosure*" basis and set out what the policy covered. She said Cia followed this up by sending out all the detailed policy documents and signposted Mr and Mrs R to the cooling off period. Mr and Mrs R disagreed, so the case has been referred to 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.

I appreciate this has been a stressful time for Mr and Mrs R as they've had a significant claim declined. However, I'm going to further disappoint them, as I won't be upholding this complaint. I don't think the policy was mis-sold. I'll explain why.

Mr and Mrs R have explained that they don't think Cia fulfilled its obligations. They don't think Cia advised them of all the key terms of the policy. Mr and Mrs R said it used Cia as a broker for several years and had always relied on their expertise. They said they don't

understand much of the terminology and caveats of insurance which is why they used a broker. They said they didn't use a comparison website but used a broker as they required their specialist knowledge.

I've listened to the call of when the sale of the policy happened. I can hear Cia's call agent clearly stating the policy covers "*fire, lightning, explosion, earthquake and subsidence*". As Mr and Mrs R's claim was for escape of water, I can't reasonably think the agent misled them as the agent never mentioned the cover did cover this type of incident.

I can also hear the agent at the end of the call signpost Mr and Mrs R to the detailed terms and conditions which Cia sent shortly afterwards. The policy itself was consistent to what Cia's agent had set out on the call i.e., there was no mention of cover for escape of water.

I've also read the documentation sent out to Mr and Mrs R and there is a clear expectation that Mr and Mrs R would be required to check these documents. The wording states "*full terms and conditions of the policy are provided in your policy wording. Please take time to read this policy document to make sure you understand the cover it provides*". I don't think it's unreasonable for Cia to have expected Mr and Mrs R to check the policy was what they needed. The policy also had a cooling-off period, whereby Mr and Mrs R had the opportunity to cancel the policy if they weren't happy with it.

I appreciate Mr and Mrs R said they were reliant on Cia's expertise, but I can't see that it provided any advice or were asked to. Mr and Mrs R didn't ask any questions when they bought the cover. Mr and Mrs R said they didn't understand insurance, but there is no evidence they ever informed Cia of this fact or asked for any help. So, based on the evidence, I can't see that Cia has done anything wrong, so I don't uphold this complaint.

### **My final decision**

My final decision is that I don't uphold this complaint. I don't require Cia Insurance Services Limited to do anything more.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs R and Mr R to accept or reject my decision before 23 October 2023.

Pete Averill  
**Ombudsman**