

## **The complaint**

J, a company, complains that their broker, Davies Craddock, let them down when they made a claim on their goods in transit insurance policy and that they should have sold them legal expenses insurance but didn't.

In this decision I've referred to all submissions made on J's behalf as its own for ease of reference.

## **What happened**

J made a claim on their goods in transit insurance policy through their broker Davies Craddock for an incident that arose in October 2020.

J feels Davies Craddock mishandled their claim and that their involvement caused there to be unnecessary delays in payment being received from their insurer. J says it agreed payment with the insurer directly in March 2023 and that the delays were attributable to the way Davies Craddock handled the claim.

J says Davies Craddock sent the insurer incorrect information and failed to check the content of the information they were sending, which led to the insurer suspecting the claim was fraudulent. J says that it wasn't until it resolved the matter itself with the insurer that its claim was paid.

J is also unhappy that Davies Craddock didn't sell it legal expenses insurance when it took out its goods in transit insurance policy. J says this was something it always takes out cover for and that it only discovered it didn't have this after the incident took place.

Our investigator considered J's complaint and concluded it shouldn't be upheld. His overall view was that J had done nothing wrong in relation to the way it presented the claim to J's insurer. He also said that although there might have been failings in the way the goods in transit insurance policy was sold, J wouldn't have done anything differently as it already had legal expenses insurance cover in place. J doesn't agree so the matter has been passed to me to determine.

## **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 so, I won't be upholding J's complaint for broadly the same reasons reached by the investigator.

In this case Davies Craddock submitted J's claim to its insurer following the incident that took place in October 2020. J has said that Davies Craddock made a number of mistakes when passing information to its insurer, such that this led to the insurer concluding the claim was fraudulent.

I've considered the correspondence that passed between Davies Craddock and J's insurer.

The content suggests to me that Davies Craddock was simply acting as a go between for those parties- passing information back and forth. And from what I've seen, there's nothing in there that suggests that they got involved in the type of evidence the insurer asked to see to substantiate the claim other than to request it from J and pass it on to the insurer, such that it led to the insurer taking the view this was a fraudulent claim. That's not unusual. Whilst some brokers like Davies Craddock might help their customers in this way, they're not responsible for pursuing the claim on J's behalf. Their role is primarily to sell insurance.

But given Davies Craddock did more in this case, I've given thought to whether they did anything wrong in the way they passed on this information between the parties. From what I've seen, I can't say that they did. It wasn't their role to check the content of the evidence J was sending to ensure it was accurate or correct and there's nothing I've seen that suggests Davies Craddock did something specific that led to the insurer taking the view this was a fraudulent claim, like providing either party with misleading information in its own right. It was up to J to ensure the information they were submitting was accurate and not to for Davies Craddock to correct this on J's behalf. So, whilst the information J supplied might have been inaccurate, I can't attribute this to something Davies Craddock did. J did eventually clear up any misunderstandings with the insurer directly. I appreciate this led to a long delay in the claim being paid but that doesn't mean that Davies Craddock did something wrong.

I've also considered whether Davies Craddock were responsible for any decisions J's insurer made about the claim and I can't say they were. J's insurer was responsible for the decisions it made about its claim. And in this case, it looks like they weren't satisfied with the information that had been submitted to substantiate J's claim for a long time. So, there was a lot of back and forth between Davies Craddock and the parties to help resolve this issue. That doesn't mean Davies Craddock did something that caused this to be the case. Given the content of the correspondence between the parties- and the many conversations that took place between Davies Craddock and J- I think it would have been better if J had simply claimed on the policy directly without Davies Craddock's involvement. Some of those conversations suggest that J wasn't happy or able to supply the information requested and that it was seeking to supply something else. Had J have dealt with the insurer directly, I think less time would have been spent explaining this to J and reverting to the insurer- but again that's not something I can say Davies Craddock are responsible for. J was entitled to pursue this claim itself directly. It may be best advised to do so in future for any new claims, rather than through a broker, so that it's clear about what's required of it and why that's necessary, with a view to avoiding delays.

Turning now to the mis-sale complaint; I understand J is unhappy that Davies Craddock didn't sell it a legal expenses insurance policy alongside its goods in transit insurance cover. But from what I understand, J already had a legal expenses policy in place that covered it in respect of the claim it wanted to make for the period in question. In light of this, I don't think it's necessary for me to decide whether Davies Craddock failed in its obligations to J. That's because J already had cover elsewhere so there is no loss that arises from this complaint point. So, there's nothing for me to direct Davies Craddock to do, even if I did conclude it did something wrong.

### **My final decision**

For the reasons set out above, I don't uphold J's complaint against Davies Craddock.

Under the rules of the Financial Ombudsman Service, I'm required to ask J to accept or reject my decision before 4 October 2023.

Lale Hussein-Venn

**Ombudsman**