

The complaint

Mr and Mrs P have complained about how a claim was handled under a home emergency policy that they paid for through their National Westminster Bank Plc ("NatWest") packaged bank account.

Mr and Mrs P want NatWest to be held responsible for how the home emergency provider handled the claim.

What happened

In response to Mr and Mrs P's complaint, NatWest issued its final response letter on 10 August 2023 and explained that the product provider would look into their concerns about how the claim was dealt with. Although NatWest did pay Mr and Mrs P £50 to apologise for the customer service provided by NatWest.

After referring their complaint to this service, one of our investigators assessed the complaint and they too explained that the insurer of the home emergency policy is responsible for how the claim was dealt with.

Unhappy with this, Mr and Mrs P asked for the matter to be considered by 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.

We've explained our approach to complaints about packaged accounts on our website, and I've used that to help me decide this complaint. And having considered everything, I don't uphold this complaint. I will explain why.

From what I understand, Mr and Mrs P's complaint is that they are unhappy with how the home emergency provider dealt with their home emergency claim.

NatWest explained that the home emergency provider is responsible for handling claims under the policy. But Mr and Mrs P reject this and say that their contract is with NatWest and therefore believe that NatWest should be held responsible for the actions of its 'sub-contractors'.

However, as the investigator and NatWest have explained, the insurer is responsible for the terms and conditions of the home emergency insurance policy. The insurer is also responsible for ensuring that any claims are handled correctly, fairly and in accordance with the policy terms and conditions. This is reflected in the policy terms and conditions which say:

"These Terms and Conditions apply to the Black Account Home Emergency Service, provided and underwritten by [name of insurer]."

The policy wording also says:

“Any references throughout the policy to we/our/us – means [name of insurer] and all our agents.”

As such, given that Mr and Mrs P’s complaint is that they are unhappy with how their claim was handled, that is a matter for the insurer to answer, not NatWest. And that is the case even if it relates to the actions of an agent of the insurer.

So even if I thought the claim was not handled fairly (although I’m not saying it was), that is not something I can reasonably hold NatWest responsible for - and that is the case no matter how strongly Mr and Mrs P feel on the matter.

In terms of NatWest’s responsibility, in this case it was acting as an insurance intermediary. This means it was responsible for, amongst other things, ensuring Mr and Mrs P were provided with the necessary insurance documentation (e.g. such as the Insurance Product Information Document). But Mr and Mrs P have not said anything to suggest that is an issue here.

So, in summary, whilst I sympathise with the situation that Mr and Mrs P found themselves in, I don’t think it would be appropriate to say that NatWest should be held responsible for the acts (or omissions) of a third-party insurance company. Should Mr and Mrs P wish to pursue a complaint about this matter, they will need to do so against the insurer.

My final decision

Because of the reasons given above, I don’t uphold this complaint.

Under the rules of the Financial Ombudsman Service, I’m required to ask Mr P and Mrs P to accept or reject my decision before 23 April 2024.

Thomas White
Ombudsman