

The complaint

Ms W complains that Avantia Insurance Limited (“Avantia”) has mis-sold her an insurance policy.

Any reference to Avantia includes any respective agents or representatives.

What happened

The background is known to all parties, so I’ll summarise events.

- On 13 May 2022 Ms W’s home was hit by a car. Ms W did not hold home insurance with any company at this time. So, later that day, Ms W took out a policy online through Avantia – an insurance broker.
- Ms W’s policy provides her with different types of cover. Buildings and contents cover is provided by Company A. Home emergency cover and legal expenses insurance (LEI) is provided by Company D.
- On 14 May 2022, Ms W called Avantia to make a claim. Both Company A and Company D declined the respective claims. Following a prolonged back and forth, Ms W says the insurers were unfair in handling the claims. So, she made a complaint.
- In January 2023 Avantia provided a final response letter to Ms W. It said given the third-party vehicle collided with her home prior to the policy being taken out, this was not covered by the policy. As a result, it had not mis-sold the policy to her.
- Ms W brought her complaint to this Service. She said she had taken the policy online as she was unable to speak to Avantia to seek further information at the time – and that she needed more information as she’s not a building insurance expert. She had concerns about Company A and Company D. And she’s asked for Avantia to refund her premiums.
- One of our Investigators looked into what happened and didn’t uphold the complaint. He said Ms W had taken the policy out online without any advice given to her, and so there was no mis-sale as a result.
- Ms W disagreed. She said the phone calls between her and Avantia show she was given misleading advice. And that she had tried to call Avantia when taking out the policy, but this hadn’t been possible.
- Our Investigator obtained 11 phone calls between Ms W and Avantia. He was satisfied Avantia had been clear in outlining the roles of the different insurers involved, and that it would be for the respective insurers to determine whether any such claim would be successful.

Ms W still disagreed, so the matter has been passed to me for an Ombudsman’s 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.

Having done so, I'm not upholding this complaint. I'll explain why.

My role as an Ombudsman at this Service requires me to say how I think a complaint should be resolved quickly and with minimal formality. That means I'll focus on what I consider to be the crux of the complaint.

Where I don't comment on every point made by the parties, that's not to say I haven't seen or considered them. I have carefully considered the points raised by both parties, but I don't consider it necessary to specifically reference them in reaching my decision.

The facts of this case are largely not in dispute. Ms W had a third-party damage her property. She was not insured at the time of the incident and decided to take cover after this happened. The respective claims were declined by Company A and Company D, so Ms W has said that Avantia had failed her by selling the policy and giving poor advice.

Ms W's reason for saying the policy was mis-sold would appear to be due to her saying she did not know the policy wouldn't cover events that have already happened. I've been given no other reasons to suggest why the policy was mis-sold to her.

Given the sale took place purely online, I'm satisfied this was a non-advised sale. This means Avantia had an obligation to provide clear, fair, and not misleading information to allow Ms W to make an informed choice.

I've been given nothing to suggest Avantia's sales materials online indicated this policy covered existing issues. Nor has Ms W suggested this. She has indicated this matter would require expert knowledge to have an awareness of this, but home insurance by its nature is to protect against unforeseen events – so I disagree this would not be common knowledge or at very least, a reasonable expectation to hold.

Ms W has suggested Avantia had failed her as she was unable to speak to an agent when taking out the policy. However, I don't agree with this. Even if Ms W had attempted to make a call, through her own admission, she was not already insured at the time of the incident. And if she felt she needed particular advice about a matter, I'd have expected her to look elsewhere and find a broker or insurer she could seek advice from. So, I consider it unreasonable to direct Avantia to refund any premiums in the circumstances as I'm not satisfied it has done anything wrong.

Ms W has also referenced calls that took place after the sale. She believes Avantia may have given her a false impression claims may have been covered. From my listening of the calls, I simply don't agree with this. Nor would it impact whether the policy was mis-sold or not as it came after the sale.

Any complaint about Company A or Company D's handling of a claim or outcome reached, would fall to those respective companies. So, if Ms W remains unhappy with the outcome or handling of those claims, she should complain to those companies in the first instance, if she hasn't done so already.

My final decision

For all of the above reasons, I'm not upholding this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms W to accept or reject my decision before 9 January 2024.

Jack Baldry
Ombudsman