

The complaint

Ms T complains about One Insurance Limited (“OIL”) and their decision to decline the claim she made on her motor insurance policy.

Ms T has been represented by her son, Mr T, during the claim and complaint process. For ease of reference, I will refer to any comments made, or actions made, by Mr T as “Ms T” where appropriate throughout the decision.

What happened

The claim and complaint circumstances are well known to both parties. So, I don’t intend to list them chronologically in detail. But to summarise, Ms T held a motor insurance policy underwritten by OIL when her car was involved in a collision. So, she contacted OIL to make a claim.

OIL declined this claim, referring to the collision circumstances and the policy terms and conditions. Ms T was unhappy about this, so she raised a complaint. Ms T, through her representative Mr T, explained why she didn’t think OIL were fair to rely on the policy exclusion they used due to her vulnerability created by her mental health at the time of the collision. And she was unhappy with the way OIL corresponded with her, in knowledge of this vulnerability, after her claim was made.

OIL responded to the claim and didn’t uphold it. They thought they had acted fairly, and in line with the terms and conditions of the policy, when declining the claim, relying on the policy exclusion that related to deliberate damage. So, while they recognised the sensitivity of the accident circumstances, they didn’t think they needed to do anything more. Ms T remained unhappy with this response, so she referred her complaint to us.

Our investigator looked into the complaint and didn’t uphold it. They recognised Ms T’s vulnerability at the time of the collision. But they thought OIL were fair to deem the collision as an intentional act and so, they thought OIL were fair to rely on the deliberate damage exclusion. And they didn’t think the regulations set out within Consumer Duty meant OIL should have done something differently. They also explained that while they accepted the claim declination and subsequent correspondence could’ve been more empathetic, they didn’t think OIL’s communication with Ms T was unreasonable, or that they had failed to consider Ms T’s vulnerability once they had been made aware of it. So, they didn’t think OIL needed to do anything more.

Ms T didn’t agree. And she provided several comments setting out why, through her son, Mr T. These included, and are not limited to, their continued belief that OIL failed to take into consideration Ms T’s vulnerabilities that were highlighted by the accident circumstances. And that if OIL had, in line with Consumer Duty regulations, they wouldn’t have deemed the collision to be intentional and so, wouldn’t have relied on the deliberate damage exclusion. As Ms T didn’t agree, the complaint 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.

Having done so, I'm not upholding the complaint for broadly the same reasons as the investigator. I've focused my comments on what I think is relevant. If I haven't commented on any specific point, it's because I don't believe it's affected what I think is the right outcome.

First, I want to recognise the impact this complaint has had on Ms T, and Mr T. I appreciate this will have been a very difficult time, considering the collision circumstances and Ms T's vulnerabilities that were directly involved. I want to reiterate the sentiments of our investigator that I hope Ms T is recovering well.

I also want to reassure Ms T I've thought carefully about all the arguments she's put forward, even if I haven't spoke to them directly due to our services informal approach. And I want to make it clear I don't intend this decision to in any way detract from her lived experience as I don't dispute the reality of her vulnerabilities that led to the collision she was involved in.

But for me to say OIL should do something differently, I first need to be satisfied they have done something wrong. So, in this situation, I'd need to be satisfied they failed to act within the policy terms and conditions when declining her claim. Or, if I think they did act within these, I'd need to be satisfied they acted unfairly and unreasonably in some other way. In this situation, I don't think that's the case and I'll explain why.

The policy terms and conditions explain that the policy does not cover a customer for *"deliberate damage caused to your car by any person insured under your policy"*. The term "deliberate" isn't defined within the policy and so, in line with our services approach, I've considered this term under its everyday definition of intentional or planned.

The circumstances of the collision aren't disputed. From the evidence I've seen, it's accepted that Ms T, while no doubt in a vulnerable state, intentionally caused the collision that led to the damage of her car. So, as the collision was intentional, I'm satisfied OIL were reasonable to classify the damage being claimed for as deliberate and because of this, I'm satisfied they acted within the policy terms and conditions when relying on the exclusion above to decline the claim.

But as I've set out above, I must also be satisfied they acted fairly when taking this decision. And I recognise Ms T doesn't think they were, explaining why she feels OIL failed to meet Consumer Duty regulations when considering her vulnerability, and their obligation to provide customers with support. And this is something I've considered at length.

From the evidence I've seen, I'm satisfied OIL were only made aware of Ms T's vulnerability at the point the claim was raised. So, they weren't able to provide any additional support to Ms T prior to the collision itself.

And after being made aware of this vulnerability, I can see they took steps to ensure this was recorded on their system, which is what I would expect them to do. OIL have also explained that, as they were made aware by Mr T that Ms T was being cared for by medical professionals, they didn't provide additional support such as signposting to relevant organisations as they felt she was already receiving the care she needed. I'm satisfied this was a reasonable approach to take, as I think it's one another insurer would've most likely taken in the same situation.

While I do think OIL could've been more empathetic in the written communication sent to Ms T after this point, in their claim outcome letter and subsequent communication, I don't think this would have, or should have, led to a change in the outcome they reached. Nor do I think it prevented Ms T engaging in their complaint process, as Ms T's complaint that I'm able to consider centres around the claim and their decision not to cover the damage costs.

I'm also satisfied OIL's decision not to refer to Ms T's vulnerability in this correspondence, and instead focus on the facts of the claim itself, was a reasonable approach as it ensured the facts of the claim were answered and addressed. So, I'm satisfied they acted fairly here.

I've then turned to Ms T's comments regarding the Consumer Duty principle. While I won't quote these regulations directly, it's accepted by all parties that these regulations set out OIL's obligation to support its customers, including those that are vulnerable.

But crucially, while these regulations do place a requirement on firms to support their customers – and particularly vulnerable customers, it doesn't automatically mean that a customer's vulnerability should overrule, or lead a business such as OIL, to reverse or change a claim decision they make – if that decision is fair in all the circumstances. In this situation, OIL were only made aware of Ms T's vulnerability after the collision, at the point of making her claim. So, at the point the damage was caused, I've seen nothing to satisfy me OIL had failed in the obligations set out by Consumer Duty regarding how they supported Ms T. And because of this, I can't agree that Consumer Duty should have led them to a different claim decision.

And as I've already laid out above, I'm satisfied OIL took reasonable steps, in line with Consumer Duty, to ensure Ms T's vulnerability was noted and considered moving forwards after they were made reasonably aware. So, while I recognise this isn't the outcome Ms T was hoping for, I'm not directing OIL to take any further action on this occasion.

As our investigator set out in their initial view, any issues Ms T has about the service OIL provided after she raised the complaint I've considered within the decision should be raised with OIL separately. She can refer these new issues to our service after following OIL's complaint process, should she wish to do so.

My final decision

For the reasons outlined above, I don't uphold Ms T's complaint about One Insurance Limited.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms T to accept or reject my decision before 5 March 2025.

Josh Haskey
Ombudsman