

The complaint

Mr T complains that One Call Insurance Limited (“One Call”) is responsible for his property being underinsured, which affected a claim settlement under his home buildings insurance policy.

What happened

Mr T’s house was damaged by a fire. His claim was accepted by his insurer. But the settlement it offered is insufficient to carry out the required repairs. Mr T says One Call may be responsible for his property being underinsured.

In its final complaint response One Call says Mr T’s policy was taken out online in 2020 and has renewed each year. It says it wasn’t an advised sale. Meaning Mr T was responsible for ensuring the information he provided was accurate. It says he confirmed the rebuild cost of his property during the application. This was index linked, and so increased with each renewal. However, it says it didn’t receive any instructions from Mr T to increase the rebuild figure stated within his policy. One Call maintains it did nothing wrong.

Mr T didn’t think One Call had treated him fairly and referred the matter to our service. Our investigator didn’t uphold his complaint. She says One Call had provided clear information at the inception of the policy and at the subsequent renewals. She thought sufficient guidance had been given around the rebuild cost. Because of this she didn’t think One Call had done anything wrong.

Mr T didn’t accept our investigator’s findings. As an agreement couldn’t be reached the complaint has been passed to me to decide.

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 Mr T’s complaint. I’m sorry the settlement he was offered doesn’t cover the full cost of the repairs to his home. This must be very distressing for him and his family. But I don’t think One Call treated Mr T unfairly. Let me explain.

I’m not considering the role of Mr T’s insurer in my decision. Any concerns he has about his insurer’s involvement will need to be raised with it directly. My decision here is about One Call.

One Call’s role was to ensure it understood the insurer’s requirements and to make sure this information was obtained and communicated accurately. It was also responsible for providing clear information to Mr T at his policy inception and during subsequent renewals. This is so he understood what information he needed to provide and to correct any errors or provide updated information where necessary.

Mr T used an aggregator website to apply for his insurance policy. One Call has supplied

screenshots to show the online journey he followed. The insurer wanted to know how much it would cost to rebuild Mr T's property. The aggregator website provided an estimate based on the information he provided in his application. I've seen a screen that Mr T will have been presented with during his application. This provides information on how the rebuild estimate was calculated. It says:

"while £(x) is a reasonable estimate of the rebuilding cost of a good quality house, you should adjust this if you believe the cost will be higher or lower than the average."

It goes on to describe the type of property Mr T is looking to insure, including the year it was built, its construction, and location. It then confirms the documents Mr T could check to estimate the rebuild cost of his property. It says he should take care to estimate the rebuild cost correctly, so he's adequately covered. If he doesn't, it explains his insurer may not fully settle any claim he makes. The final line from the screenshot says Mr T may wish to obtain professional advice to be more certain about the rebuild cost of his property.

When the application transfers to One Call's website, the business has shown that Mr T was presented with the following:

"Please double check your information and confirm... Before purchasing the policy please make sure the below details are correct and the quotation offered meets your needs."

There is a section where the sums Insured are listed for the buildings cover. This is where the rebuild cost is set out.

From reading this information I'm satisfied that the question Mr T was asked about the rebuild cost was clear. He was given guidance to assist in providing this information. I note his comments that it's unreasonable to expect consumers to research the cost of building a house. But this wasn't an advised sale. Meaning no advice was given as to the suitability of the cover Mr T applied for. It was for him to make sure he provided accurate information, based on the questions he was asked. I think One Call provided reasonable guidance and clear information on how to do this. So, I don't think it acted unfairly in relation to this point.

Mr T's policy renewed twice before his loss occurred in December 2023. So, I've considered the information One Call sent in February 2023, which is the policy year in which the claim was made. The document entitled "*Home Insurance Statement of Fact*" includes a box on the first page with the heading "*Important Information*". This tells Mr T he should check the information in this document carefully and ensure all details are correct. It says failure to do so can result in a reduced settlement, or a rejected claim. I think this notice was clear and prominently displayed. The policy sum insured is confirmed under the buildings cover section.

Under "*Important Notes*", in the statement of fact document, it says:

"You must ensure that the sums insured under buildings, contents and optional extras where applicable represent the full rebuilding or replacement values of the property to be insured."

The Insurance Product Information Document (IPID), also sent to Mr T for the 2023 renewal, includes a box headed "*What are my Obligations?*". This tells him he should check his buildings sum insured to ensure its adequate and remains so during the lifetime of the policy.

Having read this information I'm satisfied that One Call made it clear to Mr T what the buildings sum insured meant. And that he should ensure this was set at the correct amount to cover the full cost of rebuilding. I think sufficient information was given to Mr T, so he understood it was his responsibility that the rebuild cost was accurate. So, although I'm naturally sympathetic to his situation, I don't think One Call treated him unfairly. So, I can't reasonably ask it to do anymore.

My final decision

My final decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr T to accept or reject my decision before 20 May 2025.

Mike Waldron
Ombudsman