

The complaint

Mr S complains about the advice given to him by 1 ANSWER INSURANCE SERVICES LTD when taking out a commercial vehicle insurance policy.

What happened

Mr S took out a new commercial vehicle insurance policy via 1 Answer. After taking it out he wanted to temporarily remove the no claims discount (NCD) he'd declared and move the NCD from his private motor policy on to this new policy.

By removing the NCD, Mr S was charged an additional premium of £664.68 and an administration fee of £50.

But when Mr S tried to add the private car NCD onto the commercial policy he took out via 1 Answer, he was told this wasn't possible.

Mr S complained to 1 Answer. It agreed the advice it gave him was incorrect and agreed to refund him the £50 administration charge.

But Mr S remained unhappy and brought his complaint to us.

One of our Investigators recommended it be upheld because she was satisfied the advice 1 Answer gave was incorrect. She thought refunding the £50 administration fee was fair. And she thought the price Mr S paid for the policy was fair too – he'd not got the NCD he said he had when he took it out, so he'd always have had to pay the additional premium generated by removing it.

But she thought that Mr S may have been charged administration fees by his private motor insurer for removing the NCD from that policy, and possibly again for adding it back on again after learning it couldn't be used on the commercial policy he'd just taken out with 1 Answer.

So, to put things right, our Investigator recommended that, upon receipt of evidence of any charges Mr S had incurred in relation to removing and/or readding the NCD to his private motor policy.

Mr S agreed to this assessment. 1 Answer also agreed in principle, but said it needed to see the costs involved before agreeing. Our Investigator pointed out that because 1 Answer caused these costs to be incurred, it would need to pay them, irrespective of what they amounted to.

Because no agreement was reached, the complaint has come 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 upholding it.

Both sides agree on what happened in this case. And in principle, both sides agree on what needs to be done to put things right. So for that reason, I don't intend to go into too much detail here.

It's clear that the advice given by 1 Answer in relation to the NCD was incorrect. I'm satisfied the additional premium wasn't an impact of that advice – because even if the correct advice was given, Mr S would have needed to pay that amount.

Strictly speaking, the £50 administration charge also isn't a result of the poor advice either, because the NCD would always have been removed and there was a cost to that. But I'm satisfied that refunding this charge is reasonable compensation for the unnecessary time and effort Mr S spent in removing and readding the NCD from his private motor policy. This time and effort wouldn't have been spent had the correct advice been given.

But there may be a financial loss this error caused. And that is any charges or fees Mr S may have been charged by his private motor insurer for either removing the NCD from that policy, or readding it when Mr S found it couldn't be used on his policy with 1 Answer. I'm satisfied these charges are a direct result of 1 Answer's poor advice. Had it not been given, Mr S would likely not have removed, or readded the NCD to his private policy. I think he'd left it alone.

So, I'm satisfied, like our Investigator, that upon receipt of evidence of these charges, and evidence showing they relate to the removal and or/readding of the NCD, 1 Answer should refund these charges to Mr S.

My final decision

For the reasons set out above, my final decision is that I uphold this complaint. To put things right 1 ANSWER INSURANCE SERVICES LTD. Needs to:

- Upon receiving evidence it has been paid by Mr S, pay Mr S an amount equal to any fees/charges he's paid as a result of removing and/or readding his NCD to his private motor policy following 1 Answer's advice.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr S to accept or reject my decision before 11 December 2025.

Joe Thornley
Ombudsman