

## **The complaint**

Miss K has complained that she was forced to cancel her motor insurance policy after her insurer, Sabre Insurance Company Limited ('Sabre'), falsely accused her of making a misrepresentation when taking out her policy.

## **What happened**

Miss K took out a motor insurance policy with Sabre in March 2024. In May 2024, after the policy was taken out, Sabre said it needed to validate it and asked Miss K to provide a copy of her driver's licence as well as proof of address. Sabre said that it had a report which showed that Miss K had obtained quotes for a different address initially which were higher than the quotes for the address it had on record for her.

Miss K said she didn't want to provide copies of the documents requested as she was concerned about her personal details being shared with third parties overseas. She also didn't think Sabre had the right to retrospectively ask for this information after the policy had been in place for several months and said there was nothing in its terms enabling it to request this information and alternatively cancel the policy. Miss K insisted that she hadn't misrepresented details about where she lived nor provided a different post code when obtaining insurance quotes. She also clarified that she hadn't refused to produce original documents but did not want to provide copies that could be retained and shared with other parties. Sabre insisted on requesting the documents and said if they weren't provided it would cancel the policy. Miss K ultimately cancelled the policy herself and complained.

Sabre didn't uphold Miss K's complaint. It said that validation documents are a critical part of its process and help it verify information provided by its customers as well as prevent fraud. It said it didn't charge Miss K an administration fee and only charged her for her time on cover.

Unhappy with Sabre's response, Miss K brought her complaint to our service. She said though the financial impact was minimal, she was greatly impacted by the false accusation. She added that Sabre initially said she breached a misrepresentation clause, but in its final response it cited data protection as the reason for requesting additional information. She said Sabre ignored her and made her feel powerless. She asked for an apology, an investigation into the false allegations and for an overhaul of Sabre's processes to avoid this happening in the future. Furthermore, she wanted a significant financial penalty to be placed upon Sabre to reflect the seriousness of the false allegations.

Our investigator initially didn't consider that the complaint should be upheld and considered that Sabre was entitled to request further documentation from Miss K. However, while the complaint was with us, it transpired that the report Sabre had was incorrect and it was

confirmed that, in fact, Miss K hadn't looked for quotes using a different post code. Sabre issued a further response to Miss K's complaint and apologised for this error. It maintained that it was entitled to carry out validation checks and said that had Miss K provided the information it had requested, it would have been able to resolve the issue and continue the policy. It also offered Miss K £275 compensation.

Our investigator considered Sabre's offer as well as its offer of an apology to be fair and reasonable.

Miss K didn't agree and asked for an ombudsman's decision. She wasn't happy with Sabre's offer or its apology and didn't consider that it had fully addressed all the complaint points she made. She said there were many procedural and regulatory failings, including inadequate complaint handling, that hadn't been addressed. Miss K said that Sabre's processes were unnecessarily rigid and that it appeared it required proof of "active residency" which wasn't a term it had defined or disclosed to her at any point. And the documents it had requested didn't offer proof of active residency.

Miss K requested information our investigator relied on in reaching her view, specifically one piece of evidence which our investigator said showed that another post code was used. Sabre said the relevant document was confidential and did not agree to us sharing it with Miss K. Our investigator provided Miss K with a description of the relevant document and confirmed no other post codes, other than the two Sabre informed her about, had been used. Our investigator also informed Miss K the matter was with an ombudsman who would be providing their decision shortly.

As the matter had already been referred to me and as I was satisfied there were no further issues outstanding, I decided to proceed with my 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.

I appreciate Miss K feels very strongly that she was treated unfairly by Sabre and has raised a number of points she'd like me to consider before I reach my decision. I'd like to assure Miss K that I have considered all the points she has made but in my decision I have focused on the points I consider to be the most important. This is because we aim for our decisions to be as concise and to the point as possible. No discourtesy is intended by this.

#### The policy

The policy contains a data protection section which includes the following: "In order to assess the terms of the insurance contract or administer claims that arise, we may need to collect data that the DPA and GDPR define as sensitive (such as driving licence information, medical history or criminal convictions.)"

Sabre said that it also relied on another section regarding misrepresentation of risk which says, among other things, that it may cancel or avoid a policy in the event that a customer deliberately misleads it to obtain cover or gain a cheaper premium.

I don't think either of the above terms and conditions is unusual. They are in most insurance policies I am aware of and so I think Sabre can fairly rely on them.

#### Sabre's request for information

Miss K said that Sabre had no right to ask for further information after the policy had already started. And she also said that it firstly quoted the misrepresentation clause to her but later quoted data protection as justification for asking for this information. Miss K didn't think it was fair that it changed the reason it relied on after she cancelled the policy.

In deciding what is fair and reasonable, I've considered the terms and conditions of the policy but I've also taken into account standard industry practice as well as laws and regulations which applied at the time, in order to decide whether the actions Sabre took were reasonable. Having done so, I have decided that it was entitled to ask for further information even though the policy had already started. This isn't unusual in insurance. For example, we often see cases where an insurer asks for proof of no claims discount after a policy starts. Bearing in mind motor insurance is compulsory, I think it would arguably be unreasonable and potentially dangerous for an insurer to refuse to start a policy, especially one that is close to renewal, while it waits for validation documents. It follows that I think Sabre was acting fairly and reasonably when it asked for further documentation despite the fact that the policy had already started. Especially bearing in mind it had concerns about Miss K's address.

Furthermore, the terms Sabre quoted are both in its policy documents. I appreciate Miss K says that data protection was raised later but this wasn't a term Sabre introduced later. It was already in the policy terms which Miss K had agreed to when she took the policy out. So, I think Sabre is entitled to rely on it. Furthermore, I appreciate Miss K said she didn't have the relevant policy wording which mentioned misrepresentation, but I note this was provided to her by the broker before she cancelled her policy.

Miss K has repeatedly said that she didn't refuse to provide the documentation Sabre requested but she didn't want to provide copies as she didn't want these to be stored overseas. I acknowledge Miss K's concerns and appreciate that privacy is rightly very important to her. But as a financial business, Sabre handles personal data all the time and has to abide by strict regulatory obligations and laws when doing so. Some of those require it to protect personal data but also enable it to hold information for a certain amount of time. So, I don't think it is unreasonable or unusual that it required copies for its records.

#### The post code searches and Sabre's offer

As I mentioned above, it has now been shown that the searches which were carried out using a different post code were not done by Miss K and this is something Sabre accepts. So, what I need to decide is the impact of this allegation on Miss K and whether the offer Sabre made since, was fair and reasonable.

When Miss K brought her complaint to our service she asked for an unreserved apology from Sabre. Since then, Sabre has issued an apology but Miss K didn't think this was adequate as she said Sabre apologised that she felt the need to complain rather than about the false accusations. I have considered Sabre's response and though it did apologise that

Miss K felt the need to complain it also apologised for previously implying that Miss K had obtained an alternative quotation. Sabre added that its final response letter should not have made this assumption and that it has fed this back to the individual concerned. So, though Miss K may still consider this inadequate, I find Sabre's apology to be sincere and to adequately address the false allegations it made about Miss K.

Miss K also asked for an overhaul of Sabre's processes so that no such mistakes are made in the future. And she also asked for a substantial penalty to reflect the seriousness of Sabre's allegations. As Miss K will be aware, we are not the regulator and our role doesn't extend to asking Sabre to change established processes. Our remit includes considering individual complaints on their own merits and awarding compensation if this is warranted. So I wouldn't be able to ask Sabre to overhaul its processes, and I also wouldn't be able to punish it with a significant financial penalty. That's the role of the regulator, the Financial Conduct Authority (FCA). But I can decide whether Sabre has made any errors and if so, what their impact was on Miss K.

As I said above, it is now accepted that Sabre made an error and that Miss K didn't make a misrepresentation in relation to her address. I understand that this false accusation really impacted Miss K and caused her a lot of stress and frustration. Miss K maintained from the start that she only searched under one post code and I can understand how frustrated she must have been especially as she felt she wasn't being listened to. Sabre has recognised it made a mistake, and I think that mistake caused Miss K a certain amount of distress and inconvenience which could have been avoided. And I think it was even more frustrating for Miss K that she had to complain to us and raise a DSAR (data subject access request) with Sabre for the mistake to be uncovered. Nevertheless, I've also borne in mind that if Miss K had provided the information Sabre had requested, this mistake would likely have been uncovered much sooner. And it would have reduced the amount of distress and inconvenience Miss K suffered. So, taking everything into consideration I think Sabre's £275 offer is fair and reasonable.

I appreciate Miss K will be disappointed with my decision and that she considers Sabre's offer to be inadequate. But for the reasons I have provided above, I don't think Sabre needs to take any additional action.

### **My final decision**

For the reasons above, I have decided to uphold this complaint. Sabre Insurance Company Limited, must issue Miss K with an apology for falsely alleging that she had misrepresented information she had provided to it and pay her £275 compensation for the distress and inconvenience it caused her, if it hasn't already.

Sabre Insurance Company Limited must pay the compensation within 28 days of the date on which we tell it Miss K accepts my final decision. If it pays later than this it must also pay interest on it from the deadline date for settlement to the date of payment at 8% a year simple.

If Sabre Insurance Company Limited considers that it's required by HM Revenue & Customs to deduct income tax from that interest, it should tell Miss K how much it's taken off. It should also give Miss K a tax deduction certificate if she asks for one so she can reclaim the tax

from HM Revenue & Customs if appropriate.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss K to accept or reject my decision before 6 November 2025.

Anastasia Serdari  
**Ombudsman**