

The complaint

Miss F complains that One Insurance Limited put a claim she made under her car insurance policy on hold for carelessly misrepresenting her address.

What happened

Miss F took out a car insurance policy through an online website with One Insurance.

In October 2024 Miss F reported damage to her car caused by another vehicle that had been stolen.

One Insurance put the claim on hold as it said the address Miss F had declared as her home address didn't match. And it discovered an undisclosed speeding offence.

One Insurance asked Miss F to provide proof of address as the V5 document for her car had a different address to the one she had used as her home address when buying the policy.

Miss F had provided a recent bank statement when requested in November 2024. But she said she did not have any other proof of address. Miss F explained that she stayed overnight at her partner's address most nights, and occasionally stayed at her home address for work purposes. The address Miss F had given for the policy was her partner's address. She said this is where her car was parked overnight most nights. She said she was intending to move in with her partner full time.

In February 2025 Miss F withdrew her claim as she could not provide One Insurance with the proof it wanted to validate her claim. Miss F raised a complaint as she was unhappy her claim wasn't being settled.

In July 2025 One Insurance upheld Miss F's complaint in part. It said it accepted that Miss F's misrepresentation had been careless and in line with industry law, it would therefore settle her claim on a proportionate basis. One Insurance said it would reduce the settlement by 33% - as had it known the correct information it would have charged a 33% higher premium when she bought the policy.

One Insurance said the time it had taken to resolve the matter was unfair. For this it offered to pay Miss F £400 compensation for the distress and inconvenience caused.

One of our Investigators recommended Miss F's complaint should be upheld. He thought it wasn't clear from the questions Miss F was asked that the address One Insurance required was anything other than where her car was kept most of the time. So he didn't find Miss F had made a qualifying misrepresentation. The Investigator therefore thought One Insurance hadn't fairly applied a reduction in the settlement for misrepresenting her home address. He recommended One Insurance do the following:

- Recalculate the reduction in settlement taking into account only the undisclosed speeding offence from 2023. Set out the difference clearly to show the revised reduction in the claim settlement.

- If the settlement has been paid, to pay interest on the shortfall at a rate of 8% simple interest.
- Increase the compensation award to a total of £600 to reflect the level of distress and inconvenience caused by not fairly dealing with Miss F's total loss claim.

The Investigator thought Miss F had provided reasonable evidence of the main address by way of a bank statement. He found it plausible that Miss F could not provide utility bills for that address as they were in her partner's name.

Miss F accepted the Investigator's view.

One Call didn't accept the Investigator's view. It said the bank statement provided was dated after the date of the claim. And a bank statement is not always proof of an address as it can be changed without validation. One Insurance said; *"it stands to reason this (the address) was amended when the customer was informed this could affect the claim settlement"*

One Insurance says Miss F has provided no reasonable evidence to show she lived mostly at the risk address she gave. It believes the questions asked about the home address were clear. It said a distinction was made between the home address and where the car was kept overnight, which was also highlighted under the Statement of Fact provided.

So One Insurance wants an ombudsman 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.

The relevant law in this case is The Consumer Insurance (Disclosure and Representations) Act 2012 (CIDRA). This requires consumers to take reasonable care not to make a misrepresentation when taking out a consumer insurance contract (a policy). The standard of care is that of a reasonable consumer.

And if a consumer fails to do this, the insurer has certain remedies provided the misrepresentation is - what CIDRA describes as - a qualifying misrepresentation. For it to be a qualifying misrepresentation the insurer has to show it would have offered the policy on different terms or not at all if the consumer hadn't made the misrepresentation.

CIDRA sets out a number of considerations for deciding whether the consumer failed to take reasonable care. And the remedy available to the insurer under CIDRA depends on whether the qualifying misrepresentation was deliberate or reckless, or careless.

One Insurance says Miss F failed to take reasonable care not to make a misrepresentation when she didn't disclose a speeding offence from 2023 and provided her partner's address as her home address.

Miss F bought her policy with One Insurance in January 2023, which she renewed in January 2024. I've looked at the questions Miss F was asked online when she applied for the policy as this relates to the address Miss F gave. And I've looked at what One Insurance told Miss F at renewal in January 2024 in relation to the speeding offence from March 2023. The key questions were:

"Address" – "Enter postcode".

"Is (customer) a homeowner? We need this to get more accurate prices"

There is a note provided here which says; *“We need to know where the car is kept. If it will be kept in different locations, tell us where it will be most of the time.”*

It goes on to ask which postcode the car will be kept overnight.

Miss F provided her partner’s address in response to these questions. She said she spent at least five nights a week there, sometimes all week. Her son was living at her registered address and she stayed there occasionally for work purposes, sometimes up to two nights a week, sometimes not at all.

As there is no definition of the term ‘home’ and the questions centre around where the car is kept most of the time, and overnight, I find Miss F took reasonable care not to make a misrepresentation here.

According to its claim notes, on 6 November 2024 One Insurance asked Miss F to provide a ‘recent’ bank statement, which Miss F provided. One Insurance reviewed on 13 November 2024. I can’t see that One Insurance specified at the time that the bank statement needed to show the risk address from before the date of the claim. And while I agree with One Insurance that an address can be updated without validation, I also accept Miss F’s explanation as to why she cannot provide other validation documents as plausible, for the reasons she gave.

Taking everything into account in relation to the address, I think a fair and reasonable outcome is for One Insurance not to apply a reduction in the claim amount for an address change. I don’t find Miss F misrepresented her address.

As the speeding offence happened after Miss F bought the policy in January 2023, I’ve looked at the renewal documents One Insurance sent Miss F in January 2024. They read;

“Please check that the information we hold for you is up-to-date and accurate and that the level of cover is appropriate for your needs. You can find this information in your policy schedule and statement of fact in your account in our customer portal or in the most recent printed documents we sent you.”

And under the Insurance Product Information Document, One Insurance wrote;

“What are my obligations?”

- *You must provide us with honest, accurate and complete information and inform us without delay of any changes in your situation since the insurance started or was last renewed.”*

As there is no evidence Miss F notified One Insurance at renewal in January 2024 of the speeding offence from 2023, I find Miss F didn’t take reasonable care to represent this change.

One Insurance has provided underwriting information to show the disclosure of the speeding offence would have made a difference to the premium One Insurance charged Miss F at renewal in January 2024. And so I am satisfied that the misrepresentation of the speeding offence was a qualifying one. I agree that the misrepresentation was careless, rather than deliberate or reckless.

So I’ve looked at the actions One Insurance can take in accordance with CIDRA. As a claim has been paid, One Insurance can pay the claim proportionately. However, in line with CIDRA, I agree with the Investigator’s recommendations which I’ve set out in my remedy

below.

I think One Insurance's handling of Miss F's claim has caused significant distress and inconvenience. She paid for her car under a finance agreement. She was without a fair settlement for her car for a significant period of time. So in addition to the £400 compensation One Insurance offered, I think it should pay a further £200, so a total of £600. This sits within the range of awards we would make in similar cases.

My final decision

My final decision is that I uphold this complaint. I require One Insurance Limited to do the following:

- Recalculate the total loss settlement it paid Miss F by removing a reduction for the address change. One Insurance needs to show Miss F clearly the difference in the settlement calculation.
- Pay interest on the settlement from one month after the date of loss to the date of payment.
- Pay interest at a rate of 8% simple interest a year.
- Pay Miss F a total compensation award of £600 for the distress and inconvenience caused. So if it has already paid £400, it should increase this by a further £200.

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

If One Insurance Limited considers that it's required by HM Revenue & Customs to withhold income tax from that interest, it should tell Miss F how much it's taken off. It should also give Miss F 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 F to accept or reject my decision before 4 March 2026.

Geraldine Newbold
Ombudsman