

The complaint

Mr M complains about the way U K Insurance Limited trading as Direct Line (“UKI”) handled a claim he made on his home insurance policy.

What happened

Mr M contacted UKI to make a claim on his insurance for damage in 2022. When he told UKI the address of his property, UKI said this wasn’t covered by its insurance. It said when it had originally set up Mr M’s policy, that address had been provided. But in 2021, the risk address had been changed to another property. As Mr M didn’t have insurance for the property where the damage had happened, it wouldn’t cover a claim.

Mr M complained to UKI, he said the risk address had been changed without his knowledge, and he was now uninsured as a result.

UKI said it was contacted by telephone to change the address, but the caller didn’t pass its security checks. So the caller was advised to change the risk address online. And this happened on the same day. It didn’t think it had made any errors. Unhappy with that response Mr M brought the complaint to our service.

Our investigator didn’t ask UKI to do anything differently. He said there wasn’t any evidence to show UKI had treated Mr M unfairly in allowing the change of address or declining the claim.

Mr M asked for an ombudsman to review it. He said UKI was still taking a premium for him for the insurance even though his property wasn’t insured. As Mr M didn’t agree, the matter 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.

Mr M has said UKI are still taking money for his insurance premiums even though his property isn’t insured. But this isn’t something I can consider as part of this complaint, as a complaint would first need to be raised with UKI. This complaint will address whether UKI has fairly declined his claim for damage on the basis there is no policy covering his property.

UKI has said it was contacted by telephone in 2021. The caller said they’d checked their documents and didn’t recognise the address insured. I’ve listened to a copy of this call recording. The caller was asked a number of security questions, but didn’t answer enough correctly to pass UKI’s security checks. UKI said it wouldn’t be able to discuss the policy or make changes with the caller. It advised if the caller wanted to change the address they can do so using their online account.

Mr M says this shows it wasn’t him and someone tried to fraudulently access his account. And whilst I accept this might be the case, UKI followed its verification process here and didn’t allow any changes to be made. So I can’t say it allowed an unauthorised person to change the address.

I can see that on the same day as the call noted above, the online account, using Mr M's email address, was accessed. And this was used to change the risk address. UKI has said this email address had been linked to Mr M's account since the policy was taken out.

Having considered everything, I don't think UKI has acted unreasonably in allowing this change to be made. And after that point, renewal documents were sent to this email address, as they had been in the previous year of 2020. So I don't think UKI needed to do anymore to highlight the changes to Mr M. I think it was reasonable for it to send the information to the email address noted on the policy.

I appreciate Mr M's concern here. He says he's never lived in the area that the risk address was changed to. However it isn't my role to decide who changed the information on the policy. My role is to look at whether UKI has treated him fairly in declining his claim for damage on the basis that the property in question wasn't insured. Having considered everything, I'm satisfied his property [which suffered damage] wasn't insured at the time of loss. And I'm also satisfied on balance that UKI did enough to stop the policy being changed by an unauthorised person. So it follows UKI doesn't need to consider his claim for damage.

My final decision

My final decision is that I'm not going to ask U K Insurance Limited trading as Direct Line to do anything differently.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr M to accept or reject my decision before 11 October 2023.

Michelle Henderson
Ombudsman