

The complaint

Mr W has complained about Adrian Flux Insurance Services Group's handling of his car insurance policy.

What happened

Mr W took out car insurance on 3 August 2017 (the first policy). Adrian Flux sold the policy as broker. The policy was underwritten by a separate business (the first insurer). That policy included driving other cars (DOC) cover. That meant Mr W could drive other cars and that his insurer would cover third party risks when doing so.

Mr W took out a second car insurance policy in the summer of 2018, again through Adrian Flux. That policy started on 12 July 2018 and was underwritten by a separate business (the second insurer).

During the sales call for the July 2018 policy, Adrian Flux's call handler took all the relevant details from Mr W. He told them he was employed full time as a manager at a supermarket. When he was asked if he had another job he said he recently got a part-time job at a garage. He said "*I wouldn't even call it mechanical just helping out.*" But the call handler put down Mr W's part-time occupation as a "*mechanic*".

Mr W's first policy renewed on 3 August 2018. As that was arranged by Adrian Flux, and because they noted Mr W's part time job as within the motor trade during the sale of the July 2018 policy, they changed the details on his August 2018 renewal policy to show he worked at a "*garage*".

In February 2019, Mr W was driving a friend's car when he had an accident. He wanted the claim dealt with under his DOC cover but was told he couldn't because DOC was excluded from his policy.

Mr W has used Adrian Flux for his car insurance for a number of years. And he said he has always had DOC cover that allowed him to drive the cars of friends and family when needed. But DOC was excluded under the renewal policy Adrian Flux arranged for Mr W. Adrian Flux said that was because the insurer wouldn't allow a policyholder with an occupation within the "*motor trade*" to have DOC cover. Mr W complained. He said the sale of the policy was advised so Adrian Flux should have told him the policy he took out didn't have DOC cover so he could get another policy that did provide that.

Adrian Flux didn't uphold Mr W's complaint and said it wasn't an advised sale but they had merely provided him with the best priced policy with sufficient information to enable Mr W to make an informed choice whether the policy was suitable for him. They also said that they had told Mr W that he didn't have DOC cover on his policy. Mr W didn't think that was fair so he brought his complaint to us. One of our investigators looked into it. He felt that Adrian Flux had dealt with Mr W reasonably. As Mr W didn't agree with our investigator, 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.

I appreciate this will be disappointing for Mr W, but I'm not going to uphold his complaint. I'll explain why.

I've considered all of Mr W's points carefully. But, in this decision, I will focus on what I consider to be the key outstanding issues.

When Mr W took out his first policy in August 2017, it included DOC cover. His policy renewed in August 2018 with the same insurer. But the insurer excluded DOC cover based on the information given to them by Adrian Flux, namely that Mr W had a second job in the motor trade.

I have seen the insurer's underwriting criteria. Each insurer sets their own underwriting criteria which are the rules they follow to determine whether or not they will provide someone with cover and on what terms. Mr W's insurer's rules say that they won't provide DOC cover to anyone who works within the "motor trade". And Mr W's second job was within the motor trade therefore the insurer excluded DOC from his policy.

But I have to look at Adrian Flux's actions to see if they were fair and reasonable.

I have carefully listened to the sales call Mr W had with Adrian Flux in June 2018 when he took out his second policy with a different insurer. Mr W said his full time occupation was a supermarket manager. But he went onto say he had a part time job helping out at a garage. Mr W didn't say he was a mechanic but the call handler incorrectly recorded his part time job as a mechanic. But I don't think that error made a difference. Even though Mr W wasn't a mechanic, the fact that his second job was in a garage meant that he worked in the "motor trade". During that call Adrian Flux's call handler did tell Mr W that the "*driving other vehicles benefit is excluded*" from the policy.

That call related to the other policy Mr W took out with a different insurer for a different car in July 2018. It wasn't in relation to the renewal policy Adrian Flux arranged which is the subject matter of this complaint. But I think that call is relevant for two reasons. The first is that Adrian Flux were the broker for both policies, so I think it was reasonable for them to update the records they held for Mr W when he took out the other policy to show he worked in the motor trade. And because Adrian Flux arranged the renewal policy a month later for the policy that is the subject matter of this complaint, it was reasonable for them to update the insurer of the renewal policy that Mr W's circumstances had changed and that he worked in the motor trade. So, it was on the basis of the information Adrian Flux provided to the insurer that the insurer excluded the DOC cover.

The second reason why I think the sales call is relevant, even though it related to the other policy, is because Adrian Flux told Mr W "*driving other vehicles benefit is excluded*". As Mr W said he wanted DOC cover for both his policies, I would have expected him to have challenged Adrian Flux's call handler and to question why DOC cover was excluded. Had he done that I think the call handler would have explained DOC cover was excluded because Mr W worked in the motor trade. And if that happened and Mr W said he still wanted DOC cover, I think Adrian Flux would have looked to try and find an insurer from their panel of insurers that included DOC cover as part of their policy. And if none of the insurers on Adrian Flux's panel provided such cover, Adrian Flux would have explained that and Mr W would have then been able to decide whether or not he wanted to take out a policy through them or go elsewhere. And if that discussion happened, I think it's likely that Adrian Flux and Mr W would have discussed the policy that's the subject matter of this complaint that was due to renew in August 2018 (a month after the sales call). So, that call should have alerted Mr W that there was a problem.

Before the policy renewed in August 2018, Adrian Flux sent Mr W his policy documents. Those documents confirmed that the sale was non-advised. In those documents Adrian Flux “strongly advised” Mr W to read everything “carefully as it is that document [the policy], the schedule, any certificate of insurance and the policy wording, which are the basis of the insurance contract you have purchased. If you are in any doubt over any of the policy terms or conditions, please contact us promptly.” And on a prominent part of the renewal notice under “Summary of Cover” Adrian Flux said:

*“Driving other cars benefit
This policy only covers vehicle registration [car registration]. The driving or riding of other vehicles is not included.”*

And under the “Summary of Cover” section there was another section headed “Important conditions”. In that section Mr W was told “Last year you had the driving of other cars benefit, please note that this is no longer available.”

Mr W said that he has always had DOC cover and he thinks the sale of the renewal policy was what’s known as an “advised sale”. That means Adrian Flux should have advised him that the policy he was taking out didn’t have DOC cover. But I’ve seen that the sale of the policy was non-advised. That means Adrian Flux only had to provide Mr W with sufficient information to enable him to make an informed decision whether or not he wanted to take out the policy offered. And Adrian Flux didn’t advise Mr W whether or not the policy was suitable for his needs.

I therefore think that given the information Mr W provided Adrian Flux, he was correctly identified as working in the motor trade. And the policy Adrian Flux offered Mr W excluded DOC cover. Adrian Flux told Mr W that the policy didn’t have DOC cover before it renewed as it was clearly explained in the policy documentation provided to him. I therefore think Adrian Flux’s actions were reasonable.

My final decision

For the reasons set out above, I’m not upholding this complaint.

Under the rules of the Financial Ombudsman Service, I’m required to ask Mr W to accept or reject my decision before 12 August 2020.

Mehmet Osman
Ombudsman