

The complaint

Mr M has complained because the documentation issued by Business Insurance Solutions Limited (BISL) when he took out a commercial motor insurance policy was incorrect. This meant a claim he submitted was declined.

The details of this complaint are well known to both parties, so I won't repeat them again here. Instead I'll focus on giving my reasons for my decision. We've dealt separately with a complaint against the underwriter about the claim, so I won't be making a finding against the underwriter in this final 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.

My role is to decide if the documentation provided by BISL was clear enough for Mr M to know whether he was covered to drive his van on 19 June 2021. Having done so, I agree with the conclusion reached by the investigator that the case should be upheld. I do so for the following reasons:

- I'm satisfied having read everything both parties have submitted that Mr M had no reason to believe he wasn't covered to drive on 19 June 2021. The reason I think Mr M thought he was on cover on this date, was because the statement of insurance from BISL says he was.
- I appreciate that on the policy documentation from the underwriter it says cover will end at 23:59 on 18 June 2021. And I've considered BISL's interpretation of what it says on its own documentation and the renewal when it says, *"the policy will lapse on 19/06/2021, but would be at 00.01am"*.
- But this certainly is not clear. Neither the initial documentation nor the renewal from BISL specifically stipulates *"00:01am"*. It just says *"19th June 2021"*. It's not Mr M's role to interpret the specifics of this date, or what BISL meant when it set this date.
- And even though the correct time and date is set out later in the initial documentation, from the underwriter, Mr M wouldn't have had any reason to go and check this or to reconcile the dates throughout the documentation. Mr M took the period of cover set out by BISL at face value, and as such he had no reason to believe he had no cover to drive on this day.
- As this is an error made by BISL it will need to financially compensate Mr M for its error as he has lost out due to the underwriter not meeting the claim.
- I'm also recommending BISL pays compensation for the inconvenience and distress Mr M has suffered, including having to pay for repairs himself, and having to worry about an impending claim, with no cover and the possible complications associated with driving with no insurance.

My final decision

My final decision is that I uphold the complaint and I direct Business Insurance Solutions Limited to:

- deal with the claim in full as it would've been dealt with by the underwriter as per the terms and conditions of Mr M's policy. Business Insurance Solutions Limited also needs to pay any vouched out of pocket expenses Mr M has had because of its error. Business Insurance Solutions Limited should add 8% simple interest to any settlement amount from the date of the claim to date of settlement. I'm not recommending that BISL pay for Mr M's road tax or insurance as these are costs he would've had to pay in normal circumstances.
- pay £300 in compensation for the distress and inconvenience suffered.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr M to accept or reject my decision before 25 May 2022.

Derek Dunne
Ombudsman