

## The complaint

Miss T complains that Aviva Insurance Limited mishandled her motor insurance policy.

## What happened

The subject matter of the insurance policy and the complaint is a car first registered in about 2018. In about May 2022, Miss T bought the car. It had a number plate ending in the letter D. For the year from early May 2022, Miss T took out an Aviva policy for the car. She was the policyholder. Another family member was a named driver.

Unfortunately for Miss T, in early November 2022, police came to her home and took the car away. It turned out to be a car that had been registered with a number plate ending in the letter U, then stolen and sold to Miss T with the number plate ending in the letter D, a “cloned” registration number that had been assigned to another similar vehicle.

Miss T contacted Aviva to make a claim for the value of the car.

In mid-January 2023, Miss T complained through us to Aviva. She said that it should have done more checks before it insured the car.

By a letter dated 10 February 2023, Aviva said that it couldn't assist Miss T under the policy.

By a final response dated 22 February 2023, Aviva said that in November 2022 it had explained over the phone the reason for declining the claim. Aviva said it should've sent a letter confirming this in December 2022, but it hadn't. It said it was sending £300.00 compensation. Miss T asked us to investigate.

Our investigator didn't recommend that the complaint should be upheld. He didn't think that Aviva had a responsibility to make good Miss T's loss. The investigator thought that £300.00 was fair for the delayed letter.

Miss T disagreed with the investigator's opinion. She asked for an ombudsman to review the complaint. She says, in summary, that:

- Aviva has a system to know who is the insurer of a registration number.
- Insurance companies must have responsibility to make sure that a registration number is not insured with several insurance companies.
- Aviva should've told her that another insurer had already issued an insurance policy for the registration number ending in D. Aviva shouldn't have issued another policy for the same number.
- Due to this, she lost precious time that she was unable to inform the police as soon as this happened to her. The police told her that it would've been much better if she'd reported it sooner, while CCTV was still available.

## **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.

Aviva has said it was the insurer of the car (with the correct plate ending in U) at the time its owner reported it stolen.

I consider that the car belonged to its true owner unless and until Aviva met that owner's theft claim, when Aviva became the owner of the car.

Miss T bought the car from a private seller who had no right to sell it. Miss T was never the owner of the car. She didn't have an insurable interest in it. She lost her money to the seller. From that time on, Miss T was vulnerable to having to give the car back to its true owner.

It's usual practice for insurers to cover a car using the registration number stated by the customer. I wouldn't expect an insurer to check the identity of a vehicle by any other means such as its vehicle identification number.

Insurers have access to a central database of vehicle registration numbers and their insurers. I don't consider that Aviva was obliged to check the database to see if another insurer had issued a policy under the same registration number. And it wouldn't be unusual for there to be more than one insurer of one registration number – especially if the car had recently changed hands.

I consider that Aviva had no reason to doubt Miss T's statement that she was the owner of the car - or to tell her it was stolen - until the police somehow traced the car. So – notwithstanding what Aviva said in its final response - I don't hold Aviva responsible for delaying Miss T's opportunity to take action against the seller.

All this is very hard on Miss T. I don't underestimate the impact of the seller's actions on her. Nevertheless, I can't say that Aviva caused Miss T's loss. I don't find it fair and reasonable to direct Aviva to reimburse her the price or the value of the car.

## **My final decision**

For the reasons I've explained, my final decision is that I don't uphold this complaint. I don't direct Aviva Insurance Limited to do any more in response to this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss T to accept or reject my decision before 17 July 2023.

Christopher Gilbert

**Ombudsman**