

The complaint

Miss B complains that Royal and Sun Alliance Insurance Limited unfairly declined a claim on her motor insurance policy.

What happened

The subject matter of the claim and the complaint is a car. In late November 2021, Miss B got the car on a lease from a provider of vehicles for the benefit of people with disabilities. I will call that company “the operations company”.

RSA provided insurance cover. The certificate of insurance named only Miss B’s partner as a permitted driver.

On about 21 June 2022, there was an incident involving the car and another vehicle driven by a third party.

In about August 2022, the third party’s insurer contacted RSA to make a claim for damage to his vehicle. On about 10 August 2022, RSA contacted Miss B about that.

On 19 June 2023, RSA decided that Miss B had been driving the car at the time of the accident. It turned down her claim for cover under the policy.

The operations company later took the car back from Miss B.

Miss B complained to RSA that it should’ve met her claim.

By a final response dated 21 January 2024, RSA turned down the complaint.

Miss B asked us to investigate.

Our investigator didn’t recommend that the complaint should be upheld. He thought that RSA had reached its position in respect of the claim and complaint fairly.

Miss B disagreed with the investigator’s opinion. She asked for an ombudsman to review the complaint. She says, in summary, that:

- She is unwell.
- No-one was driving her vehicle at the time of the incident.
- She believed that anyone who was in the car, even children, were insured.
- She gave her details to the third party.

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've seen RSA's welcome letter to Miss B in late November 2021. It enclosed a sheet headed "*Information about your Certificate of Motor Insurance*". That named the operations company as the policyholder. And it included the following:

"Important notice If you are the person to whom the vehicle is allocated and wish to drive, you must ensure that your name appears under the permitted drivers section of the Certificate of Motor Insurance overleaf. If you are in any doubt as to who can drive, please telephone us on the number at the top of this page."

The welcome letter also enclosed the Certificate of Motor Insurance. It included the following:

"Name of person to whom the vehicle is allocated

[Miss B] who may only drive if named as a permitted driver below

Permitted drivers

[Miss B's partner]"

From the welcome letter and its enclosures, I'm satisfied that RSA had done enough to make it clear that Miss B wasn't a permitted driver.

From the call recording of Miss B's conversation with RSA on 10 August 2022, I note that she described the incident as follows:

"I had literally just put the shopping in my car, I was parked in my car, before I'd got a chance to turn it on he reversed into my car on the back side by the wheel"

Later in the conversation, she said the following:

"That is the only thing I've had happened in my car, I've not ever been hit by anyone else, I don't actually really drive my car very often to be fair."

RSA then asked Miss B if she knew that she wasn't insured to drive the car. She said the following:

"I thought I was insured as well".

Miss B then said that she hadn't driven the car and her partner drives the car.

RSA instructed an investigator to interview Miss B and her partner by telephone. However, that investigator didn't ask them about Miss B's conversation with RSA on 10 August 2022.

Miss B has also told us that she thought that she and any other passengers were insured. I accept that anyone who was a passenger in the car would've had rights to claim against any negligent driver for any personal injury. Moreover, – as the hirer of the car – Miss B had the benefit of cover under the policy terms.

However, I don't accept that RSA misunderstood when Miss B told RSA that she thought she was insured as well as her partner. From the call recording, I consider that RSA fairly concluded that Miss B had thought that she was insured to drive the car – and had done so, although not very often.

I accept that Miss B suffers with anxiety. I note that she has needed help to bring her complaint to us.

Miss B has told us that no one was driving her car when the third party hit it.

However, Miss B had told RSA that she hadn't had a chance to turn the car on (that is to turn on the ignition). Also, RSA obtained the third party's statement. He was making a claim that Miss B had damaged his vehicle while she was reversing out of a parking space. He named the driver as Miss B and gave a description matching her.

Weighing everything up, I conclude that RSA had enough reason to conclude that Miss B had been at the wheel of the car at the time of the incident. As she wasn't a permitted driver, I don't consider that RSA treated her unfairly by declining to deal with a claim for damage to the car.

I don't consider that RSA did anything wrong by telling the operations company that it had declined the claim. After all, the operations company was RSA's policyholder.

It was the operations company that decided to take back its car. I accept that this caused inconvenience and distress to Miss B and her family. Miss B has said that this included loss of some personal items that had been in the car. However, I can't hold RSA responsible for the operations company's decision and actions in relation to taking back 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 Royal and Sun Alliance 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 B to accept or reject my decision before 27 June 2024.

Christopher Gilbert
Ombudsman