

The complaint

Mr M has complained that his motor insurance broker, Dayinsure.com Limited, ('Dayinsure'), failed to register his policy with the Motor Insurance Database ('MID') which resulted in him being stopped by the police. He also said its systems were not working properly and he couldn't find his policy documents.

What happened

In January 2024 Mr M took out short term insurance through Dayinsure, an insurance broker. The insurance was for one day.

While Mr M was driving, he said he was stopped by police because his insurance details did not appear on the MID and so he was showing as uninsured. He said this caused him a lot of stress and delayed his journey.

Mr M complained to Dayinsure on the same day. He said aside from not appearing on the MID, he was also not able to view his policy documents on Dayinsure's mobile application ('app'). He added that Dayinsure failed to notify him of any renewal required on the policy or offer him a discount.

Dayinsure responded but it didn't uphold the complaint. It said that its terms and conditions say that it legally has seven days to register a policy on the MID. It said in Mr M's case this was done the day after the policy was taken out. It said it had sent a policy confirmation email to Mr M when he purchased the policy which he opened and that the policy details were also available on the app. It said it also carried out an investigation and found that the policy was in an active status on the app. It added that a discount would have been applied automatically when Mr M purchased the policy. In terms of notifying him about the renewal it said it had no obligation to do this as this wasn't an annual policy.

Mr M didn't agree. He said the policy should have been registered as soon as possible and that this wasn't done until he emailed Dayinsure himself. He attached a screenshot which he said showed that he didn't have an active policy.

Mr M then brought his complaint to us. He said being stopped by the police was very stressful, it delayed his journey and was more costly as he had to use up more petrol. He added that the policy was not showing on the app and he had to try several times to make it appear. Finally, he said he was not aware that it would take seven days for the policy to be registered on the MID and that this wasn't evidenced through the purchase process. He wanted compensation for the distress and inconvenience of being stopped, his extra fuel costs and correspondence costs.

One of our investigators reviewed the complaint but he didn't think Dayinsure needed to take any action.

Mr M didn't agree and asked for an ombudsman's decision. He said he would provide further comments.

The matter was then passed to me to decide. It has been almost two months since Mr M's last communication and as no further information was provided, I decided to proceed with my 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.

I'd like to start by saying that I was very sorry to hear about Mr M's experience. I can imagine being stopped by the police would have been very distressing.

Dayinsure said it is a legal requirement that it registers a policy on the MID within seven days. Furthermore, its terms and conditions say that within seven days of a policy being bought it will upload the policy information onto the MID. I don't think this term is necessarily unfair and I wouldn't expect an insurer or a broker to register each policy as soon as it is taken out, as long as it does this within a reasonable time. So I think Dayinsure can rely on this term.

Dayinsure said, in this case, it registered the details the day after the policy was purchased by Mr M. Mr M said that it was prompted to do so by an email he had sent to complain. I appreciate Mr M feels this way, but the fact that the policy was registered within the stipulated seven days means that Dayinsure hasn't done anything wrong, or anything that was outside its terms. So I don't think it would be fair or reasonable for me to say that it needs to compensate Mr M for this part of his complaint however unfortunate it was that Mr M was stopped by the police.

Mr M said it wasn't clear to him at the time when he bought the policy that it could take up to seven days for it to be added onto the MID. Dayinsure said this was in the documents that Mr M was provided with. But even if it wasn't obvious, I don't think this is something that was so significant that it needed to be brought to Mr M's attention. But even if it was, I don't think this is something that would have changed Mr M's mind about purchasing the policy and I say this because I don't think, at that time, Mr M would have had any reason to expect that he would have been stopped by the police. And even if he did, from what I have seen, other insurers and brokers also advise that this can take up to seven days so it seems to be standard industry practice. So, I think it is unlikely that any other broker or insurer would have guaranteed to be able to do this instantaneously. And, as I said above, we wouldn't expect the MID registration to always happen immediately.

Mr M also said that he didn't receive his policy documents and that Dayinsure's app wasn't showing his policy details. Dayinsure said that an email with all the policy details will have been automatically sent to Mr M upon him purchasing the policy. It added that it checked its records and they show that Mr M's email was sent and that the email was opened. It

provided a screenshot of its system in support as well as a copy of the email. It also provided screenshots of its application process which show that the policy documents become available on the app when the policy is purchased. Taking the above into consideration I think, on balance, Mr M was provided with copies of the documents and that he was able to access them.

I have also taken into account the fact that, thankfully, Mr M was not given a fine or taken to court for driving uninsured. I think it is very unlikely the police would have let him go without punishment if he had not provided evidence that he had a valid policy. So, I think it is more likely than not, that Mr M was able to access his policy documents and show them to the police. This is something he, himself, confirmed in his complaint to Dayinsure where he said he showed the police the app.

In terms of the application not working, Dayinsure said that it has conducted an investigation and that no errors were noted. I also note that, as I said above, in his initial complaint to Dayinsure, Mr M said that he had shown the app to the police and they saw that he was insured. So I think, even if the app wasn't working at all times- which I have no evidence of, it was working at the crucial time when Mr M was stopped by the police.

Mr M also said that Dayinsure ignored his complaints about the app but from what I have seen it asked for screenshots so it could investigate. So I don't think that was the case.

In his complaint to us Mr M mentioned a complaint he made on 24 January 2023 which Dayinsure ignored. I think this may have been a typo and Dayinsure said it has no record of any complaints from him from that date. It also said its records show he didn't take insurance out through it till much later. But if there is a further complaint Mr M may raise it with Dayinsure and then with us.

I appreciate Mr M will be disappointed with my decision. As I said above, I appreciate how distressing this experience would have been for him. But for the reasons I gave above, I don't think Dayinsure has acted in a way that was unfair or unreasonable or outside its terms and conditions.

My final decision

For the reasons above I have decided not to uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr M to accept or reject my decision before 14 October 2024.

Anastasia Serdari
Ombudsman