

The complaint

A limited company, which I will refer to as C, complains about the decline of its commercial motor insurance claim by The National Farmers' Union Mutual Insurance Society Limited trading as NFU Mutual.

What happened

The circumstances of this complaint are well known by the parties. So, the following is intended only as a summary.

C held a commercial motor insurance policy underwritten by NFU Mutual. The policy is set up on the basis that only the named driver on the certificate of insurance is insured to drive. When the policy renewed in April 2024, this person was specified as an individual I will refer to as J.

In June 2024, NFU Mutual discussed the various insurance policies held by C. It seems a change of this named driver formed a part of that discussion. C wanted to change the driver, as J was apparently no longer employed.

In November 2024, an individual who I'll refer to as D was driving the vehicle in question and had an accident. A claim was made on the policy. However, J was still listed as the named driver. So, NFU Mutual declined the claim.

C complained about this, saying that it had been agreed in June 2024 that the named driver would be changed to D. However, NFU Mutual said that whilst there had been a discussion about this, it had needed C to respond to a letter it had sent confirming the change it wished to make. As no response had been received, the policy had not been changed. C said that it had not received this letter.

C brought its complaint to the Financial Ombudsman Service. However, our Investigator did not recommend that it be upheld. She thought there was evidence that NFU Mutual had written to C in July 2024, and had not received any response. So, no change was made to the policy, and D was not an insured driver at the time of the accident. Our Investigator concluded that NFU Mutual had appropriately declined the claim on this basis.

C remained unsatisfied, so its complaint has been passed to me for a 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.

Having done so, I am not upholding this complaint. I appreciate this is not the outcome C was hoping for. But I have explained my reasoning below.

It isn't really disputed that NFU Mutual can decline a claim where the driver of the relevant vehicle is not insured under the policy. The terms of the policy make this clear. They also

make it clear that the named driver is the individual so listed on the certificate of insurance. It is also not disputed that, when the policy renewed in April 2024, the individual listed on the certificate was not D. Nor is it disputed that it was D that was driving at the time of the accident. So, based on this, it is fairly straightforward to say that NFU Mutual can fairly and reasonably decline the claim.

However, a dispute does exist around whether an agreement was made in June 2024 to amend the policy, and have D listed as an insured driver.

The relevant discussion happened face-to-face. So, it is not possible for me to be sure what was discussed. I need to make this assessment on the balance of probabilities. Some of the facts here are not really disputed. For example, NFU Mutual produced a report following the meeting, and this makes it clear that there was a discussion about changing the named driver.

However, the report also says that C was provided with different options – either to just have D listed, or to have broader cover allowing anyone over 25 to drive, with D listed as the main driver. These two options led to different potential premiums. So, it seems there was a choice for C to make here. And, based on this report, it does not seem that the choice had been made during the meeting.

C has said that it left the meeting with the impression that the change had been made. It referred to having previously verbally agreed changes which were then put in place. So, believed that this change had also been made.

As I say, without being at the meeting, it is not possible for me to know exactly how things were phrased. And it is possible that NFU Mutual were not as clear as they ought to have been. But the fact that there was evidently a choice for C to make following the meeting leads me to conclude it is more likely than not that C ought to have been aware that no change would be made without further communication.

NFU Mutual has said that it wrote to C to confirm this. And has provided evidence to support this having been sent in early July 2024. Based on what has been provided, I am persuaded that it is more likely than not that NFU Mutual did send this letter.

I do appreciate that C has said it did not receive this letter. And I note its comments that NFU Mutual ought to have done more to communicate with C on this issue. However, given that I am persuaded it is more likely than not that C left the meeting knowing – or at least ought reasonably to have known – that a choice remained outstanding, I think the responsibility was on C to follow this up if it heard nothing more.

C did not receive any written confirmation that the policy had been changed. And did not question the fact it had not been charged anything for making a change, despite it seeming that either option discussed in the meeting would lead to an additional premium. Given the importance of having proper insurance in place for a driver, I consider that C ought reasonably to have checked that the change it wanted had been made.

Ultimately, I don't think NFU Mutual agreed, or led C to have reasonably believed that it had agreed, to change the policy without further action from C. As the policy was not amended, and D was not a named driver when he suffered an accident, it follows that NFU Mutual acted in line with the policy when declining the claim. And I cannot fairly and reasonably ask it to do more in the circumstances of this complaint.

My final decision

My final decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask C to accept or reject my decision before 11 August 2025.

Sam Thomas
Ombudsman