

## **The complaint**

Mr S has complained that Kingfisher Insurance Services Limited failed to correctly arrange a motor trade policy for him and that it said it would reimburse a police impound fee he had to pay .

## **What happened**

Mr S bought a motor trade policy with a broker, Kingfisher since 2015 and has subsequently renewed his policy through them each year.

In April 2024 Mr S was stopped by police for driving without insurance and for not wearing a seatbelt. Mr S's car was impounded.

Mr S said the incorrect registration details for his car were recorded under the motor insurance database (MID). Mr S says this was the fault of Kingfisher. He wanted Kingfisher to reimburse him for the impound fee he paid when his car was released by the police following presentation of his insurance documents.

Kingfisher didn't uphold Mr S's complaint. It acknowledged that an error occurred when it processed a transfer of the policy at renewal in 2021. But it said it explained in the policy that it was Mr S's responsibility to ensure the MID was correctly updated with the vehicle(s) Mr S insured under the trade policy at each renewal since 2021.

Mr S remained unhappy and asked us to look at his complaint. He said Kingfisher had agreed to reimburse the impound costs. One of our Investigators didn't recommend the complaint should be upheld for the same reasons Kingfisher gave. Kingfisher provided call recordings which showed it hadn't agreed to reimburse the impound costs.

Mr S disagreed. I issued a provisional decision on 15 April 2025. I thought Mr S's complaint should be upheld.

Kingfisher acknowledged receipt of my provisional decision, but hasn't provided any comments. Mr S accepts my provisional decision. So the case has been passed back to me to decide.

## **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.

As I haven't received any new information following my provisional decision, my final decision is along the same lines.

We asked Kingfisher to provide a recording of the original sales call as according to its notes, it said it would 'add on' the vehicle registration details to the MID on Mr S's behalf. Mr S told us he doesn't have access to a computer.

Kingfisher said it doesn't have a recording of the key call. But it has provided a copy of an internal email dated 21 March 2021 when it processed a transfer of Mr S's policy. This email listed two vehicles to be added to the MID by a representative of the broker. This shows one of the digits for the vehicle in question to be wrong. Kingfisher accepts that the information held under the MID has been incorrect since 2021.

I have taken into account that Mr S is a commercial consumer with a commercial policy as a retired motor trader. And so it's reasonable to expect Mr S to understand the requirement to check that vehicles registered under a motor trade insurance policy are correctly recorded. I can see that Kingfisher highlighted the importance of this term each year at renewal to Mr S. In March 2024, under the Statement of Fact, it reads;

*"Motor Insurance Database*

*As a result of the Fourth EU Motor Insurance Directive you are obliged to provide the Motor Insurance Database (MID) with the registration numbers of all vehicles that will be driven and that are owned by you, your business partner(s) and spouse provided he or she is a driver on this policy, including any stock vehicles which are taxed and in your possession for more than 14 days, used or parked on a road or public place.*

*Failure to remove any sold vehicle from your policy may result in yourself being liable for a claim reported even though the vehicle is no longer in your possession. If your vehicle is involved in a road traffic accident (either in the United Kingdom, the EEA or certain other territories), insurers or the MIB (or both) may search the MID to obtain relevant information.*

*Persons (including their appointed representatives) pursuing a claim in respect of a road traffic accident (including citizens of other countries) may also obtain relevant information which is held on the MID.*

*It is vital that the MID holds correct registration numbers for your vehicles. If incorrect details for any of your vehicles are shown on the MID you are at risk of having the relevant vehicle seized by the police and may delay or cause us not to pay a claim. You can check that correct registration number details for your vehicles are shown on the MID at [www.askmid.com](http://www.askmid.com)."*

Mr S told us that he doesn't own a computer and that Kingfisher didn't offer to assist him. I can see from the policy documents that the broker asked Mr S to contact it if he needed assistance or had any queries – and reminded Mr S of the importance of complying with the requirements of the MID.

Kingfisher says that it made it clear to Mr S that it was his responsibility to check the details under the MID were correct. While I agree with this, if nothing had changed for Mr S since 2015 (according to Kingfisher) and it seems accepted that Kingfisher incorrectly recorded the vehicle for the MID in 2021, I can understand why Mr S didn't check the MID. As far as he was concerned, nothing had changed. And I can't see that his policy documents listed the registration details for Mr S to check at renewal. There was no way for him to know that the broker had changed the registration details under the MID in 2021 from the information I've seen. The internal email in May 2021 shows that the broker updated the details on the MID on Mr S's behalf.

So in this case, I think Kingfisher should compensate Mr S by reimbursing him for the police impound release fee, with interest. And I think it should pay Mr S £100 compensation for the inconvenience caused.

**My final decision**

For the reasons I've given above, my final decision is that I uphold this complaint. I require Kingfisher Insurance Services Limited to do the following:

- reimburse Mr S for the costs of the impound release fee. Kingfisher Insurance Services Limited should pay interest on the reimbursement at a rate of 8% simple interest a year from the date Mr S paid to the date of reimbursement.

- Pay Mr S £100 compensation for the inconvenience caused.

Kingfisher Insurance Services Limited must pay the compensation within 28 days of the date on which we tell it Mr S accepts my final decision. If it pays later than this it must also pay interest on the compensation from the date of my final decision to the date of payment at a simple rate of 8% a year.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr S to accept or reject my decision before 28 May 2025.

Geraldine Newbold  
**Ombudsman**