

The complaint

Mr G has complained that Quotemetoday.co.uk Ltd (QMT) mis-sold his motor trade insurance policy. And that this led to his claim for damage to his motorhome being turned down by his insurer.

What happened

Mr G took out a motor trade policy through QMT in January 2023 to replace the policy he had with another insurer, who I'll refer to as A. After doing so, he told QMT on several occasions that he didn't have the link he needed to add the vehicles he owned to the Motor Insurance Database (MID). He eventually received the link and added his vehicles on 24 March 2023. Mr G has said that when he tried to do so he had trouble adding a motorhome, which he owned for personal use, and that he called QMT about this. He's said the person he spoke to told him the correct make and model to choose. And that he should select the vehicle's bodywork description as 'Van' from the drop-down list available, when he added it; which is what he did.

The motorhome was damaged in a fire in August 2023 and Mr G made a claim under his policy. The insurer turned the claim down due to an exclusion in the policy relating to motor caravans. Mr G then complained that QMT had sold him a policy that didn't cover motorhomes and not told him this was the case.

QMT rejected Mr G's complaint on the basis it had provided him with the policy document and that he should have realised from this that motorhomes were excluded.

Mr G asked us to consider his complaint. One of our investigators did this. She effectively argued that QMT had failed to meet its obligation to provide a suitable policy and provide Mr G with information about it that was clear, fair and not misleading. And she suggested QMT should work out what Mr G would have got if his claim for his motorhome had been accepted and pay him this amount, along with compensation of £100 for distress and inconvenience.

QMT didn't agree with the investigator's view. It pointed out that there is no record of the call Mr G has said he'd made on 24 March 2023 about adding his motorhome. And it thinks this casts serious doubt on the credibility of his testimony. It also said that it definitely sent Mr G the policy document soon after he took out the policy. And it pointed out that Mr G called on 21 March 2023 because he'd realised that the policy didn't cover motorcycles. And it suggested that, as these are part of the same exclusion as the one in respect of motor caravans, Mr G must have realised motor caravans were excluded as well.

I issued a provisional decision on 22 May 2025 in which I set out what I'd provisionally decided and why as follows:

I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint.

QMT sold Mr G's policy to him on an advised basis. And the rules under which it operates

required it to take reasonable care to ensure the suitability of its advice when doing so. In doing so it needed to ensure the policy it recommended was consistent with Mr G's demands and needs.

Mr G wanted a motor trade policy, but he needed one that covered his personal vehicles. So, I think in establishing Mr G's demands and needs and ensuring the suitability of its advice, QMT needed to check the type of personal vehicles Mr G wanted insured, as well as the type of vehicles he normally sold. It didn't do this, and instead only checked whether Mr G sold high performance cars and whether he wanted cover for collecting customer vehicles. So, I do not consider that QMT met its obligation to properly check Mr G's demands and needs and ensure the suitability of its advice. And I think this means it mis-sold the policy Mr G took out with it. And I do not think the fact QMT provided Mr G with a policy document after the sale, which included the exclusion for motor caravans, means it did enough to make him aware the policy didn't cover certain types of vehicles, whether he owned them for his personal use or otherwise.

However, the fact QMT failed to meet its obligations does not in itself mean it is appropriate for me to uphold Mr G's complaint. This is because I still need to consider whether QMT's failure prejudiced Mr G's position. And, even if I consider it did, I still need to consider whether it is appropriate to uphold his complaint in light of all the other evidence available. And, I have of course noted QMT's objections to our investigator's view and have dealt with these specifically.

I've checked with Mr G, and he's told me that prior to him taking out his policy through QMT his motorhome was insured under his previous motor trade policy with A. I have no reason to doubt this, as I believe some motor trade policies do cover motorhomes. And, in any event, I'm satisfied Mr G thought it was covered by this policy. This means that I am satisfied that if QMT had checked Mr G's demands and needs properly before recommending the policy to him it would have become clear that he needed cover for a motorhome owned by him personally. And I think if QMT had then told Mr G, as it should have done, that the policy it was recommending wasn't entirely suitable because it did not cover his personally owned motorhome, Mr G would have then taken out a different motor trade policy that did cover his motorhome. Or he would have agreed to buy the policy QMT had recommended and arranged a separate policy to cover his motorhome.

This means Mr G's motorhome would have been covered one way or another when it was damaged in August 2023, and he made a claim for it. But it wasn't because QMT did not fulfil its obligations when it recommended the policy to him.

However, this still does not necessarily mean it is appropriate for me to uphold Mr G's complaint and make QMT pay him what he'd have got if he'd claimed under the alternative policy he'd have had covering his motorhome. I say this because if Mr G did realise at some point after he bought the policy that it didn't cover his motorhome and took no action despite this, it could be argued it would not be appropriate for me to simply ignore this and effectively make QMT meet his claim as the fair and reasonable outcome to his complaint.

So, I've considered this issue. And, in doing so, I've specifically considered QMT's point that Mr G must have realised that the policy he'd purchased didn't cover his motorhome because motor caravans were mentioned as excluded in the same exclusion that applied to motorcycles. And Mr G clearly realised motorcycles weren't covered and called to see what to do to obtain cover for one he had recently purchased. When he did so Mr G was told by QMT he'd need to arrange a separate policy to cover his motorcycle.

I spoke with Mr G about this. He told me that the reason he knew that his policy didn't cover motorcycles was that he'd tried to add the motorcycle he'd purchased to MID and couldn't do so. However, I have listened to a recording of the call he made to QMT about the

motorcycle, and it is clear from this that at the point he called he had not received the link he needed to add the vehicles he owned to MID. This means he could not have tried to add his motorcycle by this point. And I think this means its most likely that the reason Mr G realised his motorcycle wasn't covered was that he'd read the policy document and seen the following exclusion:

18) any loss or damage by fire, theft or accidental damage to any Insured Vehicle that is of the following description below unless agreed with Us: a) commercial vehicles over 3.5 tons Gross Vehicle Weight but up to a maximum of 7.5 tons b) North American vehicles c) Vehicles with more than 8 seats d) Motor Caravans e) Kit cars f) Motorcycles g) Vehicle transporters capable of carrying more than one vehicle h) High performance and or modified vehicles.

However, I am satisfied that despite reading this, Mr G did not realise his motorhome wasn't covered by his policy. I say this because I can't see that if he had realised this he would have called up about his motorcycle not being covered, but done nothing about his motorhome, despite knowing it was not covered. This wouldn't really make sense. So, I consider it more likely than not that on reading the exclusion Mr G simply missed the reference to motor caravans.

QMT has also challenged Mr G's testimony that he called and spoke with one of its advisers about adding his motorhome on 24 March 2023. I also discussed this with Mr G. And I found his testimony and recollection of the call persuasive. In which case, I find it odd that QMT seems to have a record of all the calls Mr G made to it from the three phone numbers he was using, but there is no record of this call. Also, I can see from the notes QMT has provided of when Mr G added his motorhome that he added it within six minutes of adding the previous vehicle. This doesn't suggest to me he had a problem adding it or that he spoke to someone before doing so. I put this to Mr G, and he said that he must have called at some point having tried to add his motorhome and was then told what to do. And when he went back to MID to add his vehicles, he then added other vehicles before coming back to his motorhome and adding it. Mr G has also said that it was in this call that he was told to choose a certain make and model for his motorhome and to choose its bodywork description as 'Van' from options available which were as follows: Saloon, Estate, Hatchback, Sports, People carrier, Van, and Pick-up. And I can see why if Mr G did speak to someone and was told to do this, he would have been satisfied 'Van' was the best option.

Of course, it is possible that Mr G did make this call and for some reason QMT's system has not picked it up. And I am satisfied that as far as Mr G remembers about what happened from over two years ago he thinks he did make the call. However, whether Mr G spoke with an adviser or not before adding his motorhome to MID and choosing the bodywork option as 'Van', I'm satisfied that it was reasonable for him to do so on the basis he believed his motorhome was covered by his policy. And I have taken into account the fact that some people do refer to such vehicles as campervans and would therefore think choosing 'Van' from the list available as the bodywork option was the right thing to do.

I appreciate Mr G has said he didn't receive the policy document originally. But I think he did. This is because QMT has demonstrated that it was sent to him in an email in January 2023, in which he was also asked to provide a copy of his driving licence and his proof of no claim discount. And he provided both these things in response to this email soon after receiving it. However, I do not consider the fact that QMT provided a copy of the policy document and advised Mr G to read it, was enough for it to meet its obligation to make sure the policy it had recommended was suitable for him. It was obliged to provide Mr G with information on the policy, but this was in addition to ensuring the suitability of its advice, which I think it failed to do.

In summary, having considered QMT's comments in response to the investigator's view, which I have addressed above, I am satisfied that the reason Mr G's motorhome wasn't covered when it was damaged in August 2023 was QMT's failure to ensure the suitability of its advice when recommending the policy he took out through it in January 2023. And I'm also satisfied that if QMT hadn't failed to do this Mr G's motorhome would have been covered by a suitable policy when it was damaged. Therefore, I consider the fair and reasonable outcome to Mr G's complaint is for QMT to pay Mr G compensation to reflect what he'd have received from whoever would have been insuring his motorhome at the point it was damaged. Along with a compensation payment for the distress and inconvenience Mr G experienced because his motorhome was not insured, and his claim was turned down.

Putting things right

I have obtained the report provided by the insurer's engineer. He inspected Mr G's motorhome soon after it was damaged. And he said a fair open market valuation would have been £9,000. Therefore, I think this is what Mr G should receive from QMT in compensation for the financial loss he has suffered due to the fact its failure to meet its obligations led to his claim for his motorhome being rejected. Mr G had an excess protection policy alongside his motor trade policy. And I consider it most likely he would have had such a policy whether he had a different motor trade policy or a separate policy covering his motorhome. This means he would have got the policy excess back if his claim had been accepted. So, nothing needs to be deducted to reflect the fact Mr G would have had a policy excess to pay. I am not awarding interest on the £9,000 due to Mr G, as I think if he had received this amount in settlement of his claim he would have spent it fairly quickly after receiving it to purchase a replacement motorhome.

I also think Mr G should receive £250 in compensation for the distress and inconvenience he experienced in having his claim turned down due to QMT's failure to fulfil its obligations when it sold the policy to him.

My provisional decision

For the reasons set out above, I've provisionally decided to uphold Mr G's complaint and require QMT to do what I've set out above.

I gave both parties until 5 June 2025 to provide further comments and evidence in response to my provisional decision.

Mr G responded to say he accepted my provisional decision and didn't have any further comments or evidence to provide. He did however, at my request, provide some further documents I wanted to see, including the V5 for his motorhome and evidence from his bank statement to show what he paid for it (£2,600). He also provided a copy of an email to the insurance company's engineer which set out in detail what he'd done to upgrade the motorhome, with some supporting documentation, including service records.

QMT provided detailed further comments and a great deal of further evidence. I will not set out the comments and evidence QMT has provided in detail, as I do not see the need to do so. But the main points it has made are as follows:

- It feels strongly it met its obligations when selling the policy to Mr G.
- It thinks the compensation Mr G receives if I uphold his complaint should be based on the trade value of his motorhome at the point it was damaged. It has also suggested this should be £4,995, as this is what Mr G entered on MID when he added the motorhome.
- It has also provided a great deal of evidence to show that the value placed on Mr G's motorhome by the insurer's engineer was likely to have been higher than its actual value.

- The motorhome was not taxed at the point it was damaged.
- Whatever Mr G got for the salvage in respect of his motorhome should be deducted from any settlement.
- The limit on Mr G's excess protection policy was £1,000, whereas the excess under his policy was £1,100. So it thinks £100 needs to be deducted to reflect the fact he'd have only got back £1,000 of his excess if his claim had been successful.

Having received QMT's comments I spoke with Mr G. I asked him why his motorhome wasn't taxed at the point it was damaged. He said this was because he'd been upgrading it, and he had SWORN it. And that he intended to tax it once he was ready to use it. He also explained that he never got a V5 in his name as he had originally intended to do the motorhome up and sell it. And when he decided to keep it, he'd not bothered re-registering it. He also explained he'd put the value of the motorhome as £4,995 when he added it to MID as this was roughly what it had cost him to buy it and upgrade it. He also told me the insurer took away his motorhome after it was damaged and never gave him anything for the salvage.

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, it remains my view that QMT failed to meet its obligations when it sold the policy to Mr G for the reasons I set out in my provisional decision. And nothing QMT has said in response to my provisional decision changes my view on this.

I do however agree with QMT that because Mr G insured his motorhome under a motor trade policy and hadn't actually registered it to himself personally, the compensation he receives should be based on its trade value at point of loss. But I do not think this was as low as £4,995.

I have looked at the evidence provided by both Mr G and QMT and noted – in particular – the amount of work Mr G had done to upgrade the motorhome. And I am mindful of the fact that the insurer's engineer knew about this and had seen the vehicle, albeit in its damaged state. So, I think he was best placed to decide its trade value. He said it was £6,750. And I think this is the right figure to use as a starting point to work out what Mr G should receive in compensation for his vehicle as a result of QMT's failure to meet its obligations when it sold him his policy.

I think it is fair for £100 of the excess to be deducted, because I think if Mr G's claim had been settled at trade value, the policy excess of £1,100 would have been deducted; and Mr G would only have got £1,000 of this back from his excess protection policy. I don't think anything needs to be deducted for the salvage, as I accept Mr G's testimony that he didn't get anything for salvage from the insurer.

It also remains my view that £250 is the right amount of compensation for Mr G to receive for the distress and inconvenience he experienced, as set out in my provisional decision.

Putting things right

For the reasons set out above and in my provisional decision, I've decided to uphold Mr G's complaint and require QMT to do the following:

- Pay Mr G £6,650 in compensation for the financial loss he incurred as a result of its failure to meet its obligations when it sold him his motor trade policy.*

- Pay Mr G £250 in compensation for distress and inconvenience.*

* QMT must pay the compensation within 28 days of the date we tell it Mr G accepts my final decision. If it pays later than this, it must also pay interest on the compensation from the deadline date for settlement to the date of payment at 8% a year simple.

My final decision

I uphold Mr G's complaint about Quotemetoday.co.uk Ltd and order it to do what I've set out above in the 'Putting things right' section.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr G to accept or reject my decision before 1 July 2025.

Robert Short
Ombudsman