

The complaint

Miss I complains that, owing to U K Insurance Limited's (UKI) poor service she was unable to retain her cherished number plate (the plate) following a claim on her motor insurance policy.

What happened

Miss I's lease car, which carried the plate, was stolen in late October 2023. UKI settled her claim for the loss of her car in November 2023. The stolen car was eventually recovered in January 2025. UKI then disposed of its salvage before Miss I could take the required steps to retrieve her plate. She complained. UKI acknowledged that it didn't get everything right but it didn't believe it was responsible for Miss I being unable to retrieve her plate.

Miss I brought her complaint to the Financial Ombudsman Service. One of our Investigators looked into it. She didn't think that UKI had dealt with Miss I fairly. She recommended that UKI should reimburse Miss I for a suitable similar plate that fell within the price range of £6,000 to £9,000. The Investigator also said that UKI should pay Miss I £700 compensation to recognise her distress and inconvenience. UKI didn't agree so the matter's been passed to me to decide.

Provisional decision

I issued a provisional decision setting out why I was minded to partially uphold the complaint and invited the parties' comments on that. For ease of reference I've reproduced the relevant extracts below. I said:

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

The events giving rise to this complaint have happened over a significant period. During that time there have been a number of interactions between Miss I and UKI. And, in bringing this complaint and responding to it, both parties have made a number of points. I've considered everything on file. But in this decision I don't intend to refer to each and every event nor to address every issue raised. Instead I will focus on what I see as being the key matters at the heart of Miss I's complaint and the reasons for my decision.

Further, Miss I has raised complaints with UKI about other matters, for example the provision of a hire car. However, owing to the appropriate time limits not having been satisfied (which our Investigator explained to Miss I) those are not matters I will be addressing within this decision.

What should have happened

It may help if I set out my understanding of the process for a consumer to retain their cherished plate when a car is stolen and has not yet been recovered.

After the theft it is the consumer's responsibility to apply to the DVLA to retain their plate. They do so by completing form V317 'transfer or retain a vehicle registration number' and sending that along with the car's logbook (V5C) or green 'new keeper' slip and an £80 transfer fee to the DVLA.

The DVLA will then send the plate's owner a V778 which is a document showing the individual has the right to that personalised number plate. It's sometimes referred to as a

retention certificate. DVLA will also send a new V5C for the stolen vehicle with a new registration number. This is often referred to as being the 'donor' registration. This donor registration is then passed to the insurance company to allow it to take ownership of the stolen car using the donor registration.

Then, after a period of six months, if the vehicle has not been recovered, the plate's owner can apply to transfer their plate to another car.

If the consumer applies to retain the registration after the stolen car has been recovered, then the DVLA may require further information from the applicant. For example it may ask for letters from the insurer to show that the car is a total loss and that it has no interest in the plate.

As I've said above, it's the consumer's duty to take the above action. This is not something that insurers will or indeed can do for them.

Further, Miss I's policy is clear that it will not cover DVLA's £80 charge for processing the plate transfer. So this was something that she was responsible for paying herself.

What actually happened

On 13 November 2023 UKI wrote to Miss I concerning the plate. It said that in order to retain it she would need to contact the DVLA urgently. It directed her to the '.gov' website setting out the process for doing so. It explained that DVLA would allocate a replacement registration (the donor registration) which would be sent directly to Miss I.

The letter added that Miss I needed to complete the transfer registration and retain her plate before transferring ownership of the stolen car to UKI. It said that if the V5C was transferred before taking the above steps, that could lead to delays.

So it's apparent that at this early stage UKI did give Miss I the correct information. That is it directed her to the appropriate website. It also told her it would need her to obtain the 'donor' registration before transferring the ownership to UKI.

That said, I note the rest of the letter wasn't always appropriate to Miss I's circumstances. It's apparent that the template UKI used for its letter applied to situations where it deemed a car a total loss because it was uneconomic or unsafe to be repaired. So, it included some confusing information. For example, it said the V5C and the keys should be left inside the car. But, clearly, as the car had been stolen and unrecovered, Miss I couldn't do that. Although, as I've said above, generally, the letter gave Miss I the correct information about how to retain the plate.

Miss I rang UKI the next day, 14 November 2023. With regards to her plate UKI told her that she would need to approach DVLA and obtain a donor registration. Miss I said she was about to do that but wanted UKI to cover the £80 fee. UKI clearly told her that it would not pay that fee. So again, at that point I'm satisfied UKI gave Miss I the correct information. That is she would need to contact DVLA herself and it would not pay the fee.

Miss I spoke with UKI again on 4 December 2023. During that call she referred to UKI's letter telling her to leave the keys with the V5C inside the car. UKI told her she would need to send the V5C to DVLA but that she should double check this with DVLA. However, during that call the plate wasn't mentioned. But UKI did, mistakenly, tell Miss I that she should also send the car keys to the DVLA. That was incorrect advice. The DVLA has no interest in the car keys whatsoever.

Miss I spoke with UKI again three days later, 7 December 2023. The call handler correctly advised Miss I that she would need the DVLA to provide her with a donor registration. Miss I made a comment that there was an £80 fee associated with that and she asked if UKI would cover everything. UKI said that it would. I think UKI could have been clearer here and because it wasn't I think Miss I misinterpreted this to mean that UKI would cover the cost of the DVLA fee too. Although it didn't actually say that.

The call handler told Miss I she would send her an email setting out what Miss I needed to do next. But there's no evidence that the agent actually sent that email. This may well have delayed matters as Miss I was waiting for the email to let her know what she needed to do. And this should have been a fairly simple task for UKI as it could have simply directed her back to the content of its letter of 13 November 2023 advising Miss I to follow the online guidance with DVLA.

It's not clear whether or not Miss I did contact DVLA at this point or if she did, what exchanges she had with it. Although, as I explain later, she said DVLA told her that UKI had misinformed her about where to send her keys and the V5C. However, Miss I sent her car keys to UKI in January 2024.

In March 2024 Miss I rang UKI again. She said that someone from UKI was supposed to be ringing her back and they'd previously said UKI would cover the DVLA costs of the transfer. But I think she had misunderstood the previous conversation. UKI had said it would send an email but hadn't done so. It hadn't promised to ring her back. And I've seen nothing to suggest it said it would pay the DVLA fee.

In the same call UKI asked Miss I if she'd contacted DVLA for the donor registration. Miss I confirmed she had and she'd given "all the details". But, I think Miss I may have been mistaken about what UKI was asking her. That's because, as far as I can tell, she didn't ever obtain a donor registration from DVLA. And, if she had, it's likely she could have retained her plate without too much fuss.

Miss I also told UKI she'd spoken to DVLA and it had told her that UKI had misadvised her about what to do with her keys and V5C. As I've said above, it is correct that DVLA had no interest in the keys. But what happens to the keys and the V5C are entirely separate processes. And, in any event, at that point Miss I had already returned the keys to UKI.

Further I don't think UKI had given Miss I incorrect advice about what to do with the V5C. During the call of 4 December 2023 UKI did tell Miss I to fill out the V5C's transfer of ownership slip with UKI's details and send it to DVLA, when at that point without the donor registration V5C, that wasn't appropriate. But the plate wasn't mentioned during that call and UKI did tell her to 'double check' the process on the DVLA website.

During other calls where the plate was discussed, UKI had correctly told Miss I she needed DVLA to provide a donor registration. And while UKI hadn't followed up on its offer of 7 December 2023 (to send an email setting out the process), it had previously explained the correct next steps in writing on 13 November 2023.

Also, in the March 2024 call, Miss I incorrectly implied that DVLA had already provided her with a donor registration but it hadn't. So, that's what apparently led UKI to tell Miss I to fill in the V5C's transfer of ownership slip, with UKI's details and to send that to DVLA. But, at that point, Miss I hadn't received the donor registration V5C, so it wasn't appropriate to do that with the V5C in Miss I's possession. So, if Miss I followed that guidance and sent the transfer of ownership slip at that point, that was the incorrect process. But, given Miss I had told UKI she already had the donor registration, I don't think it could have been aware of that at that time.

Similarly, later in the call UKI gave Miss I another of its phone numbers to call if she wanted further help with the donor registration process with the DVLA. But it noted that Miss I had "already done this". So it's clear that UKI believed Miss I had already taken the steps necessary to transfer the plate back to herself, when in fact she hadn't done so. But I don't think that misunderstanding was because of any fault of UKI's.

Miss I also repeated that UKI had told her it would cover the DVLA fee. UKI's agent said that's not something it would do. But it also told Miss I that she wouldn't have to pay anything. I think UKI said that because, if Miss I had already obtained the donor registration as she implied in the call, then she wouldn't have had a further fee to pay. However, as that

wasn't the case Miss I would have had to pay DVLA's fee. But I don't think any confusion here was because of anything UKI got wrong. I think it simply reflected the stage of the process that UKI thought things were at.

So up until that point, while UKI hadn't always been as clear as it could have been and hadn't done everything it said it would, I don't think it was its fault that Miss I hadn't at that time received the retention certificate.

Miss I's provided us with a letter from DVLA dated 14 November 2024. This letter clearly sets out what Miss I needed to do in order to retain her plate. That included sending DVLA the completed V317, together with the V5C, or a letter explaining why the V5C was no longer held, and the £80 transfer fee. In order to find out what happened with the DVLA we asked Miss I to send us the correspondence she's had with the DVLA but, as far as I can see, she's only provided the letter above and one letter sent in February 2025 which I refer to below.

So with the limited information I have it's not clear whether or not Miss I attempted to follow DVLA's above guidance. However, if she did then it's also not apparent why DVLA didn't at that point issue her with a retention certificate. But I don't think any failing at this time can fairly be attributable to UKI.

In January 2025 Miss I contacted UKI again as she'd been told that the stolen car had been recovered. She didn't know why she was contacted when UKI had already settled her claim for it, so it technically owned the car. But I think it's likely this happened because, as Miss I hadn't received a donor registration from DVLA, the car was still registered with her plate number, and the registered keeper of that plate would still have been Miss I and not UKI.

During the same call Miss I said she'd been having issues with the DVLA transferring the plate to her new car. I don't know what those issues are. However, there's no evidence that any issues Miss I was having with the DVLA between November 2024 and January 2025 was because of any involvement from UKI.

Soon after, on 3 February 2025, DVLA sent Miss I a letter. It said that as her car had been stolen and recovered, in order to transfer the plate, she would need to provide the full V5C and an engineer's report including the car's VIN/chassis number. It also said it may be necessary to inspect the car so it asked her to confirm its location. It added that she could obtain the car's original V5C – before she put her plate on it – from the company she leased the car from.

Soon after, on 7 February 2025, Miss I rang UKI to ask for the engineer's report. The call was rather confused and on more than one occasion UKI asked Miss I for the donor registration. She gave the car's previous registration, but that wasn't what UKI was asking for. Miss I asked if UKI could send her a "certificate". It told her that DVLA would send that. Miss I then asked if UKI had "done that already" and UKI's agent replied that it had. But I don't know what the agent was confirming UKI had done.

The call handler then put Miss I on hold. And when she spoke with Miss I again, the call handler started telling Miss I that she couldn't keep her car. But that wasn't the purpose of Miss I's call. She wasn't ringing about keeping the car but was instead enquiring how she could keep the plate. Once Miss I made that clear, the call handler then misunderstood that Miss I was looking to recover the physical plate itself, rather than keeping ownership of it. And I think that explains why Miss I needed the engineer's report and the location of the car. I don't think UKI's handling of this call helped matters.

Eventually UKI's agent asked Miss I to forward the letter from DVLA so UKI could "action it". Miss I then asked if UKI was going "to do the transfer to a new vehicle". So she was essentially asking whether UKI would arrange the transfer of the plate details to her new car. UKI's call handler replied "yes". But, as I've outlined, this was clearly not something that UKI would be able to do. Only DVLA could do that. Miss I also asked if UKI were going to get the

“certificate of registration”, I think Miss I was either asking if UKI would produce the updated V5C or possibly the retention certificate. UKI answered “yes I’ve got it”. But I don’t think the agent understood what Miss I was asking her to do or what she meant by the certificate of registration.

That said UKI called Miss I back around an hour later. It said it understood that Miss I needed the engineer’s report and the location of the car so it had emailed her those details. It also said that the registration number Miss I had given earlier was not a donor registration. It told her that she would need to retrieve the V5C with the original registration from the car’s lease company. Miss I said she’d already requested that. The call handler then said that, in recognition of the errors it had made, it would offer Miss I £100 compensation. Miss I accepted that sum.

The following month, on 14 March 2025, UKI emailed Miss I. It said that her plate was still attached to the car and it set out the details and information she needed to take “urgently” in order to retain her plate. It said that if it didn’t hear from her within 14 days it would assume she had no interest in keeping the registration and would dispose of the vehicle.

Miss I didn’t contact UKI within the above timeframe and two weeks later UKI released the car to its salvage agents to dispose of.

Miss I contacted UKI again on 23 April 2025. She said she wanted to complain because DVLA had told her that the engineer’s report that UKI had sent to her in February 2025 didn’t have a VIN/chassis number and it didn’t contain the location of the car. UKI said it would send her the engineer’s report again. Miss I asked it to send it to a different email address as her usual email address was not “working”.

Later that day one of UKI’s complaints handlers called Miss I. During that call Miss I said she hadn’t received UKI’s email of 14 March 2025 as her previous email address had been “hacked”. Miss I said the email account had become difficult to access.

UKI told Miss I that, as it had already disposed of her car, she would be unable to keep her plate. So it was lost.

Is UKI to blame for the loss of the plate?

Miss I is clearly very upset at the loss of her plate. She holds UKI responsible for the loss. And she thinks it’s fair that it pays compensation equivalent to the cost of a similar replacement plate.

I’ve thought extremely carefully about whether it’s fair and reasonable to hold UKI responsible for the loss of her plate. And while I agree it didn’t get everything right and clearly caused confusion at stages in the process, I don’t think it’s fair to hold UKI responsible for the loss of the plate.

From a very early stage, as early as November 2023, UKI gave Miss I the correct information about what she needed to do to go about retaining her plate. And while UKI didn’t do everything it could have done, for example it didn’t send her the promised email on 7 December 2023, I don’t think it at any point misled Miss I about the actions she should be taking.

As I’ve said above, the responsibility for the transfer of the plate lay with Miss I not with UKI. And the process is DVLA’s not UKI’s. So she needed to complete the appropriate DVLA forms and pay its fee. That was not for UKI to do. And, again, while things were occasionally confused I don’t think that was necessarily because UKI made mistakes. For example Miss I told UKI during the call of March 2024 that she had already obtained a donor registration. But she hadn’t.

Further, DVLA clearly told Miss I what she needed to do in November 2024 in order to retain the plate. But as I’ve said above it doesn’t appear that she successfully followed that up. I’ve seen no evidence of any contact between UKI and DVLA between then and Miss I telling

UKI that the car had been stolen. So any failure to secure retention of the plate at that time wasn't UKI's fault.

In addition UKI had told Miss I on a number of occasions that she needed to contact DVLA for advice about transferring her plate. As I've already said this was Miss I's responsibility not UKI's. And she could have done this long before the stolen car was recovered.

Also, with the exception of one call when UKI's advice could have been clearer, it consistently told her that it was not responsible for and would not pay DVLA's fee. Although Miss I kept saying it had told her it would pay DVLA's fee, I don't think her recollection is supported by the evidence.

I appreciate that UKI's mistakes – for instance - when Miss I asked for the engineer's report didn't help. The version of the report it sent to her didn't contain the VIN/chassis number even though Miss I and DVLA's letter, had clearly asked for this. But Miss I also had a responsibility to ensure she was sending the right information to DVLA and she could have pointed out that the chassis number wasn't on there before she sent it.

I note that our Investigator commented that UKI should have done more than sending Miss I an email to let her know it would dispose of her car. I agree that UKI's file shows Miss I was clearly interested in retaining her plate. But by the time UKI emailed her in March 2025 over 16 months had gone by since the theft and Miss I had still not taken the required action, as far as UKI was aware, in order to retain her plate. And there was no way that UKI could possibly have known that Miss I was unable to access her emails. So, it couldn't have known that she hadn't received the email it sent to her letting her know that it would dispose of her car, and so she would lose the plate, unless she contacted it.

In those circumstances I don't think that UKI acted unfairly by disposing of the car when it did. As far as it was aware it had given Miss I a clear warning about the action it would take if she didn't contact it. And she didn't do that. It wasn't UKI's fault that she couldn't see that email. So I don't think it would be fair to hold UKI responsible for the loss of Miss I's plate. It follows that I don't intend to instruct UKI to reimburse Miss I for the cost of a replacement plate.

That said I do agree UKI certainly hasn't got everything right and I note, apart from her earlier complaint concerning the provision of a hire car, in February 2025, it paid her a further £100 compensation. It recorded that this was for its delay in instructing its salvage agents to collect the recently recovered stolen car and for its confusion when it thought that Miss I was ringing it about retaining the car itself, when she was actually querying retaining the plate.

But there have been a number of other errors along the way that must have added to Miss I's frustration and which UKI hasn't yet addressed. For example its failure to send the promised email in December 2023 setting out the next steps. Also its error in not including all the information required when Miss I asked for the engineer's report in February 2025, which led to DVLA telling her again that it couldn't process her transfer request. To address the impact of those mistakes I'm intending to require UKI to pay Miss I £300 compensation. I think that's a reasonable sum in the circumstances as I understand the mistakes I've mentioned would have caused some acute stress, inconvenience and disappointment. So the sum is in line with other awards we make in cases where there has been a similar impact over a similar period."

Developments

UKI accepted my provisional decision. Miss I didn't think it was fair. I've summarised her reasons below.

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'll say first that I can entirely understand Miss I's disappointment on learning that I'm intending to reach a different outcome to our Investigator. And specifically, that I said I wasn't intending to require UKI to compensate her for the cost of a replacement plate. But we operate a two stage process. The first is consideration by an Investigator. And if either party is unhappy with the Investigator's assessment, then the second stage is a final decision by an ombudsman like me.

Once a case is passed to me, I consider all of the evidence afresh. I then come to my own conclusions about what I consider to be a fair and reasonable outcome in all of the circumstances of the complaint. My consideration of the matter and the conclusions I reach are entirely independent of anything the Investigator said. And it's not wholly unusual or uncommon for an ombudsman's decision to be different to an Investigator's.

I was also aware, as I said in my provisional decision, that the engineer's report UKI sent to Miss I in February 2025 did not contain the VIN/chassis number which DVLA required. But Miss I didn't identify that omission before forwarding it to DVLA either.

Further, Miss I has provided a letter from DVLA in which it pointed out that the VIN/chassis number had not been provided. That letter is dated 19 March 2025. But Miss I didn't chase this up with UKI until 23 April 2025, a delay of around five weeks. Had she contacted UKI promptly after receiving DVLA's letter it's likely UKI would have told her it had already sent her the email on 14 March 2025 (which she hadn't received), and she could have taken action to prevent the car being disposed of before transferring the plate.

It's also notable that as well as commenting that the engineer's report didn't contain the VIN/chassis number, DVLA's letter also said that Miss I had not provided the V5C. And it gave details of the action she needed to take in order to do that. So I don't think it's the case that it was only UKI which hadn't produced all the information DVLA needed to effect the transfer at that point.

Miss I also said that UKI's email to her of 7 February 2025 didn't include a 14 day period before her car went to salvage. But I think she's misunderstood. In February 2025 UKI arranged for the car to be moved from the storage facility where it was taken after it was recovered to its salvage agents. The salvage agents would then store the car until UKI gave instructions to dispose of it. So, at that time, in February 2025, UKI did not need to give Miss I 14 days notice of the car's disposal, as it hadn't decided to dispose of the car at that point.

However, when UKI sent an email to Miss I on 14 March 2025, setting out the information she needed to take urgently to retain the plate, it did give her 14 days to reply. It said if she didn't take the necessary steps, it would dispose of the car. Miss I didn't receive that email and so she didn't reply. But, again, that wasn't UKI's fault. So, on 27 March 2025, it gave instructions to its salvage agents to dispose of the car.

So, for all of the reasons given above I remain satisfied that UKI wasn't responsible for Miss I losing the plate. And when arriving at that conclusion I was aware that Miss I was a victim of a crime – the theft of her car. But I also took into account that UKI had, on more than one occasion, told her what she needed to do in order to retain the plate. So had DVLA. But she hadn't taken those steps in a period of over 16 months. That wasn't UKI's fault.

Neither UKI nor Miss I have commented on my other findings concerning UKI's service and the compensation I said I was provisionally intending to award. So I don't intend to alter those findings.

My final decision

For the reason given above I require U K Insurance Limited to pay Miss I £300 compensation for her distress and inconvenience.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss I to accept or reject my decision before 24 December 2025.

Joe Scott
Ombudsman