

## **complaint**

Mr T's unhappy with the way Complete Cover Group Ltd ("CCG") has administered his motor insurance policy.

## **background**

Mr T called CCG to arrange motor insurance. But unfortunately it arranged the insurance with the incorrect car registration. Mr T was sent the policy documents via an online portal and he was asked to check the details. These documents recorded the incorrect registration number. Unfortunately Mr T was pulled over by the police as his car was showing as having no insurance. CCG also gave incorrect information to the Motor Insurance Bureau.

Mr T's credit hire company also wrote to him saying the car wasn't insured and unless he called it the agreement would be cancelled. Mr T says he only received the last of its letters after the deadline date for responding. The hire company cancelled the hire agreement and told Mr T he needs to pay £7,220 in early cancellation fees and that he's lost his £3,500 deposit.

Our investigator felt this complaint should be partly upheld. She said:

- Its clear CCG has made multiple mistakes in the administration of Mr T's policy. This has caused him considerable trouble and upset.
- But CCG shouldn't be liable for the costs Mr T has incurred when his hire agreement was cancelled because he had multiple opportunities to resolve the matter before the hire agreement was cancelled.
- When the policy was arranged Mr T was sent his policy documents. It was his responsibility to check them and ensure they were correct. He also received another letter shortly after that. If he'd checked these documents the error in the recording of the registration number could've been spotted early on and resolved.
- Mr T also says he only received one of the letters from the hire company but there's no reason to suggest he wouldn't have received them all. Its more likely than not that he'd have received at least one of these letters before the hire company's deadline.
- As she doesn't believe Mr T mitigated his losses she can't fairly say that CCG should be liable for them. Even so CCG has made mistakes when setting up the policy and when contacted by the Motor Insurance Bureau. These have caused Mr T distress and being pulled over by the police is a stressful and unpleasant experience. So, CCG should pay Mr T £500 for this.

Mr T doesn't agree and remains unhappy. He's asked for an ombudsman review. He says the letter he received had an incorrect registration number but it was only wrong in one similar looking letter. It takes time to memorise a new car registration number and it was an easy mistake for him to miss. He wasn't sent hard copy policy documents as he asked for. He couldn't access the online portal. The hire company didn't use his full postal address. He did give CCG the correct registration number. He doesn't think a payment of £500 is fair when he's lost £10,720. In his opinion he should get at least 50% of that if not all of it. It was CCG's fault.

The investigator responded that the advisor said in the sales call that the documents would be sent to Mr T via the online portal. And there aren't any calls where Mr T told CCG that he couldn't access the portal or asked for hard copies to be sent to him.

CCG says that £500 compensation is excessive. It feels £250 is reasonable. It's asked for an ombudsman review.

### **my findings**

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

Mr T gave CCG the correct registration number of his car when he took out the policy. But unfortunately it didn't correctly record it. One letter was recorded wrongly.

That was unfortunate and has clearly led to Mr T experiencing significant trouble and inconvenience as a result. He was stopped by the police and couldn't use his car. CCG also gave the Motor Insurance Bureau incorrect information. In addition the hire company cancelled Mr T's hire agreement.

Even so Mr T had a number of opportunities to identify and correct CCG's mistake. CCG said it would send him his policy documents via an online portal. And it stressed he should ensure the details on the policy were correct. But Mr T doesn't appear to have done so. He says he couldn't access the portal but he doesn't appear to have contacted CCG about this or asked it to send hard copies to him as he suggests was the case.

If Mr T had checked the documents and portal he would've likely seen CCG's error and could've got it corrected well before he was stopped by the police or his hire agreement was cancelled.

Mr T also says he only received one of a number of letters from the hire company after its cancellation deadline because its letters to him didn't contain his full postal address. That may be the case. But that's not something I can hold CCG responsible for.

If Mr T is unhappy about the way the hire company has dealt with him - including the way it addressed post or cancelled the hire agreement - he will have to take that complaint up with the hire company in the first instance.

Mr T says CCG should compensate him for half if not all of the £10,720 costs he's incurred when his hire agreement was cancelled. But I don't think that would be fair or reasonable. As the investigator has said Mr T hasn't mitigated his loss.

Even so, I think it's fair for CCG to pay Mr T some compensation for the trouble, upset and inconvenience he's been caused by its administrative errors. It also had the opportunity to rectify the situation on a number of occasions but didn't do so which prolonged the problem.

CCG says £250 compensation is fair but I don't think that's enough. Taking everything into account, including the level of awards we make, I agree that a payment of £500 compensation for this is fair.

Overall, although I recognise Mr T's strength of feeling and frustration, I think the adjudicator's proposed resolution of this complaint is reasonable. And I don't see any reason to change the proposed outcome in this case.

**my final decision**

I uphold this complaint. To put things right Complete Cover Group Ltd should pay Mr T £500 compensation.

CCG must pay the compensation within 28 days of the date on which we tell it Mr T 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 8% a year simple.

If CCG considers that it's required by HM Revenue & Customs to withhold income tax from that interest, it should tell Mr T how much it's taken off. It should also give him a tax deduction certificate if he asks for one, so he can reclaim the tax from HM Revenue & Customs if appropriate.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr T to accept or reject my decision before 9 April 2018.

Stephen Cooper  
**ombudsman**