

complaint

Miss B complains that Zenith Insurance plc cancelled her motor insurance policy from the start (voided it) and declined two claims because she wasn't the car's registered keeper. Miss B is represented in this matter by her solicitor.

background

Miss B took out a policy online through a comparison site and twice renewed it. Then her car was unfortunately stolen. Miss B said Zenith told her she could then drive her father's car and she was involved in an accident with another driver.

Zenith voided Miss B's policy when it found out that her father was the car's registered keeper. So the two claims on the policy weren't then covered. Miss B now faces court proceedings brought by the other driver and Zenith.

Our adjudicator didn't recommend that the complaint should be upheld. She thought Miss B had been asked a clear question about who was the car's registered keeper when she took out the policy. She said it was herself. But her name wasn't on the car's registration certificate (V5). Miss B didn't correct this when the policy twice renewed.

The adjudicator thought Zenith had shown that it wouldn't have offered cover if Miss B had answered accurately. So she didn't think it was wrong for it to void the policy and decline the theft claim.

The adjudicator didn't see evidence that Zenith had told Miss B that she could drive her father's car under the driving other cars extension of her policy. So she thought it had reasonably declined the claim following the accident.

Miss B replied that Zenith should have told her she wasn't insured to drive her father's car. This led to her driving uninsured and made her liable for the other driver's claim.

my findings

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

I can understand that this has been a traumatic and stressful experience for Miss B and her family. She had the awful experiences of having the car stolen and being involved in an accident. And now, because Zenith has voided her policy, she is left in dire financial straits. I was sorry to hear this and that it has affected her father's health.

Miss B said she'd told Zenith that she wasn't the car's owner and registered keeper when she applied for the policy. I can see that when she first took out her policy Miss B did indeed say that her father was the car's owner. But she also said that she was the car's registered keeper. She was prompted that this would be the name on the V5 certificate. But I can see that this was her father.

So I think Miss B was asked a clear question about who the registered keeper was and she unfortunately answered it inaccurately. I understand that Miss B had good reasons for doing this at the time, but that doesn't change the fact that she gave inaccurate information.

Zenith has shown us its underwriting criteria. I think it's clear from this that it wouldn't have offered cover if it had known that Miss B's car's registered keeper was her father. This would have been an unacceptable risk for it. I understand that this is a harsh result for Miss B. But I don't think it was unreasonable for Zenith to decide to void the policy and so decline the claims for the car's theft and the accident.

Miss B said Zenith told her she could drive her father's car under the driving other cars extension of her policy. Zenith has supplied us with copies of her calls, but I've not found evidence to support this. In fact, the extension is specifically excluded under the policy when a car is stolen and not recovered. So, again, I don't think it was unreasonable for Zenith to decline the claim following the accident.

Miss B said Zenith should have told her that she wasn't insured to drive her father's car. But I can't see that it knew this until after she was involved in the accident. I don't think Zenith made an error.

my final decision

My final decision is that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss B to accept or reject my decision before 13 July 2016.

Phillip Berechree
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