

complaint

Mr M and his son, who I will call Mr N, have complained that CIS General Insurance Limited made a mistake when it cancelled Mr M's motor insurance policy from the date of inception. Mr M says CIS was wrong to decide the policy was invalid due to a simple administrative oversight on the part of his son.

background

Mr M took out a policy with CIS in September 2015 after buying a car from his son, Mr N. He told CIS he was the registered keeper and added Mr N as a named driver. In February 2016 Mr M says his son borrowed the car and was involved in an accident. Mr M says they then realised his son had forgotten to put the change of vehicle registration (V5C) document in the post. He says this was a simple oversight by his son at a busy time and the form had been filled in and just not posted and it wasn't fair for CIS to have voided his policy. Mr M provided evidence that he'd paid his son for the car and that his son had bought another car to use. He said his son had only borrowed his car because he needed it a larger car to pick up a big item.

The adjudicator initially thought CIS hadn't been fair to Mr M and recommended it reinstated the policy. But then CIS located a recording of a phone call Mr N made to it after the accident. In the phone call Mr N says the car is registered to him currently and he plans to keep it that was as he taxes it. He then says he is going to transfer it to his father. He also said the car was sold to his father in December rather September. CIS also said that its underwriting criteria meant it wouldn't have offered Mr M an insurance policy if it had known he wasn't the registered keeper.

The adjudicator thought the new evidence from CIS meant she couldn't say it had made a mistake when it cancelled Mr M policy from the date of inception.

In response, Mr M said his son had been in shock after the accident when he made that call and had got muddled with the dates and his answers. He said the bank statements show he had bought the car in September and his son had also bought another car.

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 think CIS has shown that its underwriting criteria meant it wouldn't have insured Mr M if it had known Mr N was still the registered owner. So I think what I need to decide is whether CIS acted unfairly when it didn't accept Mr M's explanation of what happened with the vehicle registration.

Mr M said his son had filled in the V5C document in September 2015 before he took out the insurance policy with CIS. He they only discovered after the accident that by mistake it had been left on a shelf and not posted. CIS says that the phone call reporting the accident is evidence that its decision not to accept this version of events is reasonable.

I can see that what Mr M said about the money he paid for the car and his son buying another vehicle is backed up by the evidence he has given this service. And I understand Mr M's explanation that the accident had shaken Mr N up and he wasn't clear about the

sequence of events and what he was being asked. But having listened to the recording of the phone call I think CIS' questions were clear and straightforward. Mr N's first answer was that his plan was to keep the car registered to him and that he pays the car tax. So I think it's reasonable for CIS to conclude that what Mr N said in the phone call contradicted Mr M's account of what happened with the vehicle registration.

I'm sorry to disappoint Mr M and Mr N but I think CIS is entitled to decide to cancel the policy from the date of inception on the basis that the vehicle was not registered to Mr M.

my final decision

For the reasons explained above, my decision is I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr M and Mr N to accept or reject my decision before 7 November 2016.

Sarah Brooks
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