

## **complaint**

Mr B complains that Liverpool Victoria Insurance Company Limited (LV) unreasonably required him to provide various copy documentation if it was to continue his motor insurance. He wants it to pay him £15 to cover his time and costs in providing that documentation.

## **background**

Mr B moved his car insurance to LV. After the policy was set up LV asked Mr B to provide copies of his proof of no claims discount, V5 registration document and driving licences of all the car drivers. Mr B was surprised to receive this request as he had not been asked to provide these by previous insurers. LV said the policy would be cancelled if the documentation was not provided, and so he did send it to LV. However, he says that this involved considerable time and cost to him, for which he wants LV to pay him a £15 administration fee. He also says that LV did not confirm receipt of these documents.

LV said that when Mr B obtained a quotation it did tell him that it might ask to see this documentation. It also explained that it requested the documentation on a sample basis. It was not prepared to pay Mr B £15.

Our adjudicator did not recommend that the complaint should be upheld. She concluded, in summary, that LV was entitled to ask for this documentation and had not acted unreasonably. She also commented that such a request was standard in the motor insurance industry.

Mr B did not accept the adjudicator's conclusions. In two emails to this service he said, in summary, that his own research had shown that it was not standard industry practice for insurers to ask for such documentation, and that LV should have been able to obtain the vehicle and licence information direct from the Driver and Vehicle Licensing Agency (DVLA). He suggested that it was avoiding cost by asking for it from him instead.

In response to Mr B's comments, the adjudicator explained that this service did not have the power to question LV's business practices – that power lay with its regulator, the Financial Conduct Authority. LV itself explained that it was still working on its IT systems to enable it to obtain licence information from the DVLA, but that it still would not be able to obtain V5 registration documentation from the agency. Mr B, however, still viewed LV's request as unreasonable, and again pointed out that LV had not acknowledged receipt of the documentation he had sent.

## **my findings**

I have considered all the available evidence and arguments to decide what is fair and reasonable in the circumstances of this complaint.

As Mr B says, the documentation requirements of motor insurance companies vary. LV carries out a sample check as part of its standard procedures, as do some other companies, and LV did tell Mr B this when he obtained his insurance quote. I do not consider such a request unreasonable, given that it is intended to reduce the likelihood of fraud and speed up the process if the policyholder subsequently needs to make a claim. As the adjudicator has already explained, this service cannot question an insurer's business practices, which are based on commercial decisions it is entitled to make.

I have considered Mr B's comments about LV being able to obtain the driving licence and V5 information from the DVLA. It is correct that the DVLA does now allow driving licence information to be obtained by insurers, but in LV's case it has not yet got the systems in place to do so. I am not persuaded that it asked Mr B to provide such information to it himself to save money. It is also my understanding that DVLA does not provide V5 registration document information to insurers at present.

Finally, I note that LV did say in its letter requesting the copy documentation that it would not acknowledge receipt. This is again a business practice decision.

### **my final decision**

For the reasons given above, it is my view that Liverpool Victoria Insurance Company Limited did not act unreasonably in requiring Mr B to provide various copy documentation if it was to continue his car insurance. My final decision, therefore, is that I do not uphold this complaint and do not consider it fair and reasonable for me to require LV to pay Mr B £15.

Under the rules of the Financial Ombudsman Service, I am required to ask Mr B to accept or reject my decision before 8 May 2015.

Malcolm Rogers  
**ombudsman**