

## **complaint**

Mr H complains that Well Dunn Limited (WDL) unfairly cancelled his car insurance policy.

## **background**

When Mr H set up the policy through WDL, it asked him to send copies of documents including proof of his no claims discount (NCD) and V5 registration document. Mr H says he posted everything to WDL. WDL says it didn't receive them. On 11 August 2017 it emailed Mr H to give him seven days' notice that, unless he sent the documents, it would cancel the policy. Mr H called WDL on 17 August and subsequently emailed documents to WDL. When WDL looked at what he'd sent, it realised the proof of NCD and V5 were still missing. It emailed Mr H on 21 August 2017, asking him to send the outstanding documents.

When it hadn't received these by 11am on 22 August, it cancelled the policy, sending Mr H an email at 11.13am to tell him of the cancellation. Mr H emailed WDL the NCD proof and V5 at 14.55, but WDL said it was too late to reinstate the policy.

Mr H says he's lost money due to WDL's incompetence. He says it took WDL four days to realise he still needed to send the NCD proof and V5. He says he could understand WDL cancelling the policy, if he didn't have the documents and was trying to avoid the request for them but, as he did, he says there was no reason for WDL to cancel. He argues that, as far as the NCD is concerned, WDL could have confirmed the information by making a simple phone call. In summary, he feels he is being penalised for something he had no control over.

## **my findings**

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

It is standard practice within the motor insurance industry to ask a policy holder to provide copies of the registration document and proof of NCD and, if they are not provided within a reasonable time frame, to cancel the policy. We would only interfere if we thought the business had acted unreasonably: for example by not allowing a reasonable amount of time for the documents to be sent in.

The notice of cancellation WDL sent Mr H said, unless it received the documents, the policy would be cancelled on 18 August. It's not clear to me why Mr H waited until the day before the policy was due to be cancelled before getting in touch with WDL. But it seems he understood the need to act before 18 August to stop the policy from being cancelled. I'm satisfied that, when he spoke to WDL, it was made clear that the documents he needed to send included the V5 and the NCD. Given how close to the deadline he was, it would have been reasonable for him to check that the email included everything WDL had asked for.

Mr H highlights the fact that it took WDL four days to get back to him with a further request for the documents. I don't consider this was unreasonable, as WDL put the cancellation on hold until it had had a chance to check that everything was there, and then gave him a final chance to comply with its request.

Mr H says it took a full day for him to locate everything. This may explain why he wasn't able to send the documents through until 22 August, but it doesn't explain why he didn't start his

search when he realised there was a problem, either after receiving the email of 11 August or following his phone call on 17 August.

Mr H says he wasn't trying to avoid sending WDL the proof of his NCD and V5, but WDL had no way of knowing this. I think it acted reasonably in setting a clear deadline for receipt of the documents but showing some flexibility when Mr H got in touch. I also consider that if Mr H was having trouble finding the proof of NCD and V5 he could have called WDL again to explain this and agree a realistic time frame to provide them.

Finally I don't accept that the fact that WDL could have obtained confirmation of Mr H's NCD with his previous insurer meant Mr H didn't need to comply with its request. The onus was on Mr H to satisfy the reasonable requirements that WDL had set. It wouldn't be practicable to expect a broker to check the documents for everyone it arranged insurance for.

WDL has asked Mr H to pay £368.13. This is based on a commission fee of £100 and the shortfall between the refund from the insurer of £1,164.41 and the settlement figure from the finance company of £1,432.54. It has said however that if Mr H covers the shortfall it will waive its commission fee. I think this is fair and reasonable.

Taking all this in to account I don't think that WDL has done anything wrong.

### **my final decision**

On the basis that Well Dunn Limited will accept £268.13 from Mr H in full and final settlement of its account, I do not uphold the complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr H to accept or reject my decision before 20 April 2018.

Melanie McDonald  
**ombudsman**