

## **complaint**

Miss B complains that Admiral Insurance Company Limited issued a motor insurance policy showing the wrong car and is seeking to recover from her costs arising out of an accident involving that car, which she has never owned or driven.

## **background**

In December 2015, Miss B arranged a motor insurance policy with Admiral. There's a dispute about the car Miss B asked Admiral to cover, which I will refer to in more detail below. Admiral insured car one and sent Miss B policy documents showing car one.

In August 2016, Miss B wanted to tell Admiral about her new address and noticed that her policy documents showed the wrong car. She asked Admiral to change her address and for a quote for car two. Admiral confirmed the change of address and sent Miss B a quote for car two.

In October 2016, Miss B renewed her policy with Admiral and the documents still showed that the cover was for car one.

In December 2016, car one was involved in an accident in which a third party pedestrian was injured. The driver of car one was uninsured. In January 2017, Admiral wrote to Miss B about the accident.

In February 2017, Admiral amended Miss B's policy and insured car two. It's since been amended again for car three.

Miss B says she's never owned or driven car one and that it's not fair for Admiral to seek to recover its costs from her.

Admiral says Miss B accepted a policy for the wrong car at the outset. It said she realised her mistake and asked for a quote for car two but didn't act on that, so it continued to insure car one. Admiral said the renewal documents also showed car one. It says it has a responsibility to deal with the third party's claim and will seek to recover its costs from Miss B. Admiral said it would instruct a tracking agent to help it recover half of its costs from the driver of car one.

Our investigator didn't think Admiral had treated Miss B unfairly. She said, in summary, that as Miss B inadvertently insured the wrong car and then didn't take sufficient care, Admiral is entitled to recover from her what it has to pay out.

Miss B didn't agree with the investigator and asked that an ombudsman look at her complaint. She said:

- In the original phone call, she gave the correct reference number on the quote for car two and Admiral read out the registration number for car one in error.
- Whilst she agreed to the incorrect registration number of car one during the call, it was read out very quickly in a long sentence that sounded very confusing, possibly on purpose.
- She can't hear in the phone call that she agreed the car was car one.

### **my provisional decision**

In March 2018, I sent both parties my provisional decision in this case. I said I was minded to uphold Miss B's complaint. That was because, in the particular circumstances here, I didn't think it was fair for Admiral to seek to recover its costs from Miss B. I said:

- There was a mistake at the outset here in that Miss B quoted a reference on a quote for car two but Admiral proceeded to insure car one.
- Admiral says Miss B got quotes for cars one and two but can't now provide them.
- Based on what I'd seen, Admiral only gave Miss B a quote for car two.
- Even if Admiral gave Miss B a quote for car one, it's clear that Miss B quoted the reference for car two when she rang to set up the policy.
- Admiral made a mistake in pulling up the details for car one when Miss B had asked to pursue the quote for car two.
- Admiral referred to car one and its registration in the phone call and Miss B didn't correct that but Admiral is the expert here and was obliged to get it right in the first instance, rather than rely on Miss B to correct its error in the phone call.
- Admiral sent Miss B policy documents which showed car one. We expect consumers to read policy documents.
- Sometime before August 2016, Miss B became aware that her policy was for the wrong car as she asked Admiral for a quote for car two. Miss B didn't pursue the change of car quote.
- As Admiral insured car one, it had obligations under the Road Traffic Act to deal with any claim from the third party – an injured pedestrian in this case.
- It's not fair for Admiral to look to recover its outlay from Miss B as the initial error in insuring the wrong car was Admiral's, not Miss B's and Admiral is the expert here.
- Miss B had never owned or driven car one.
- It's not clear to me why Admiral said it would look to recover only half of its costs from the driver of car one.

Admiral's response to our earlier enquires crossed with my provisional decision. Admiral said:

- It couldn't now provide quotes for cars one and two, as it no longer has access to them.
- In the phone call on setting up the policy it confirmed that the cover was for car one and Miss B didn't question that.
- It later gave Miss B a quote to change the cover to car two but she didn't proceed with that.
- It generates a reference number when it sends a customer a quote. If the customer subsequently changes the car, the reference number remains the same.
- It may be that Miss B had a quote for car two, then changed it to car one and forgot to change it back.
- It hasn't made an error.
- It can't trace any other substantive phone calls from Miss B before the call in which she set up the policy.

Miss B accepted my provisional decision but Admiral didn't. It said:

- It makes it clear that customers must check their paperwork to make sure everything is correct.
- Miss B clearly did this at some stage as she asked for a quote for car two.

- Miss B renewed the cover on car one and, again, would've been asked to check the paperwork.
- It didn't make a mistake in the phone call in which the policy was set up and even if it did, it would have been easily remedied if Miss B had checked her paperwork.
- It's right that it's asking Miss B to repay the costs of the claim as it is the only insurer with a financial interest in car one, so it has obligations under the Road Traffic Act.

### **my findings**

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

I note that Admiral says the reference number on the quote would remain the same even if Miss B changed the car she wanted to insure. Admiral says it gave Miss B quotes for cars one and two but it can't now provide them, as it doesn't keep them.

I've seen nothing which supports Admiral's contention that it provided Miss B with a quote for car one. Based on what I've seen, I remain of the view that Admiral only gave Miss B a quote for car two. So, I still think Admiral made a mistake when it referred to car one in the phone call when Miss B wanted to set up the policy.

Admiral says it may be that Miss B had a quote for car two, then changed it to car one and forgot to change it back. That's speculation. There's nothing to show that Miss B had a quote for car one or had anything to do with that car. That's an unusual feature of this case. Usually, when there's a dispute about an insurer claiming costs arising from its obligations under the Road Traffic Act, there's some connection between the individual and the car that's caused the loss or damage. I've seen no connection between Miss B and car one in this case, other than Admiral incorrectly proceeded to insure car one when Miss B phoned to set up cover for car two.

I agree with Admiral that Miss B didn't correct it when it referred to the wrong car in the phone call when the policy was set up. As I said in my provisional decision, Admiral is the expert here and it had an obligation to get it right.

Miss B was obliged to check the policy documents and either didn't do so or didn't act on what she saw. At some stage, Miss B knew Admiral had made a mistake and didn't do all she could to correct it, as she didn't pursue the quote for a change of car. But, on balance, I don't think that means Miss B should bear the costs of Admiral's liabilities under the Road Traffic Act. I remain of the view that it's neither fair nor reasonable for Admiral to seek to recover its costs from Miss B when it made the original error that led to the wrong car being insured.

Considering everything, for the reasons set out in my provisional decision and above, I remain of the view that Admiral shouldn't pursue Miss B for its outlay in relation to the incident in December 2016 involving car one and should remove the claim from all internal and external databases.

**my final decision**

My final decision is that uphold this complaint. I direct that Admiral Insurance Company Limited should not pursue Miss B for recovery of its outlay in relation to the incident in December 2016 involving car one. It should also remove the claim relating to December 2016 and car one from all internal and external insurance databases.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss B to accept or reject my decision before 29 May 2018.

Louise Povey  
**ombudsman**