

complaint

Mr B complains that First Central Insurance Management (FCIM) led him to believe that he'd insured two cars on his policy with them when in fact only one car was covered.

background

In 2011, Mr B insured his car, a Vauxhall Astra, with FCIM. In October 2017, he asked FCIM to add another car - a Vauxhall Corsa which he was in the process of buying - and another driver – his wife - to the policy.

Mr B says FCIM agreed to this and gave him a quote for the amended policy. Mr B accepted the quote and paid the required amount. He says that at that point he assumed his policy covered both cars and both drivers.

In January 2018, Mr B received a letter from the Motor Insurers' Bureau to say that he needed to insure his Vauxhall Astra. He contacted FCIM and was told that when his policy was changed in October 2017, they had in fact replaced his original car with the new Corsa.

Mr B made a complaint about this, which FCIM did not uphold. Mr B was unhappy with this outcome and complained to us. Our investigator looked into it and took the view that FCIM had done nothing wrong.

Mr B does not agree with our investigator's view and has asked for an ombudsman to make a final decision. He wants FCIM to insure both cars under the existing policy, or at least without any increase in cost.

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 have listened to the calls Mr B made to FCIM in October 2017 which led to the changes in his policy.

When Mr B first rang FCIM, on 23 October 2017, he was very clear about what he was asking FCIM to do. He clearly wanted to add both the second car and his wife as an additional driver to the policy.

He was explicitly asked whether he meant to "switch the cars over". He said no, he wanted to "add another car". At that point, he was told perfectly clearly that FCIM don't do multi-car policies and that he could swap the car on the policy, but not insure both cars on the one policy. He was then put through to another operator to get a quote for a policy to cover the new car.

After taking his details, the FCIM employee told Mr B what the cost would be if he were to "swap the cars over". He then said, "Oh right, just for that car?" And the operator replied "that's right".

Mr B then gave his wife's details and asked what the price would be if she were added to the policy. The operator said, very clearly, "Okay, if you were to add your wife into the policy... as well as change the vehicle, that would cost.....".

Mr B then said that he'd prefer to add the new car to his existing policy. But the operator told him, "The Astra ends when you change the vehicle on that policy". And Mr B replies, "Okay, right, I think that's great."

I'm satisfied that during this first call, FCIM did everything possible to make it clear to Mr B that the quote they gave him was for adding his wife and adding the new car, but in place of the Astra. At no point did FCIM do anything to suggest that Mr B's policy would cover both cars. And when he said things that indicated he had the impression that both cars could or would be covered, they corrected him.

Mr B rang again the next day to take up the quote and pay for the policy. He did, at this point, say that he had bought another car, wanted to also add his wife - and wanted to "make it all one policy".

FCIM have accepted that they ought to have picked up at this point that Mr B had misunderstood what they had discussed with him the previous day – and clarified the position again. And they have offered to pay Mr B £150 for the distress and inconvenience this may have caused.

That said, the operator did make it clear that the quote prepared for Mr B the previous day covered, "a change of vehicle and addition of a driver". And when Mr B asked whether his wife would be covered to drive both cars, he was told, "no, just the one".

The following day, FCIM sent a certificate of insurance to Mr B by email. This states that the cover is effective from 25 October 2017 and lists one car registration under the heading 'Description of vehicle'.

So, I'm satisfied that FCIM have been very clear about what Mr B's policy would cover. They told him at the outset that they didn't do multi-car policies. They said several times during the telephone calls that the cars would be switched or 'swapped over' rather than both being covered. And the certificate they sent Mr B clearly listed only one car.

FCIM have offered to insure both of Mr B's cars under separate policies. They've said that if he decides to go elsewhere, they won't charge a cancellation fee. And, as mentioned above, they've offered to pay Mr B £150 for any trouble and upset caused by the misunderstanding during the second call he made to them.

In my view, FCIM have acted fairly and reasonably in their dealings with Mr B and in their handling of his complaint.

my final decision

For the reasons given above, I do not uphold Mr B's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr B to accept or reject my decision before 11 June 2018.

Neil Marshall
ombudsman