

complaint

Mr S complains that Calpe Insurance Company Limited wouldn't indemnify him under a motor insurance policy for a period during which it didn't know about his car's new number plate. He says it also refused to renew the policy.

background

Mr S bought a new car ("car B") in October 2016. Shortly afterwards he put the private registration plate from his old car ("car A") onto the new one. He informed the DVLA but didn't tell Calpe. That meant databases weren't updated. In February 2017 Mr S was stopped by the police for driving without insurance. Calpe covered the car for the rest of the policy year as soon as it was told about the change of number plate. But Mr S was still faced with court proceedings or a fine for driving without insurance prior to that.

Our investigator thought Calpe had acted reasonably. She said the policy required Mr S to inform Calpe of the right registration number, otherwise car B wasn't insured. She also said it was entitled not to renew the policy - although it couldn't find any record of deciding not to do so. Mr S said if Calpe insisted car B wasn't insured from October 2016 to February 2017 he was due a partial refund of premium.

I thought the policy made it clear that consumers must inform Calpe of any changes, as the Motor Insurance Database ("MID") has to hold a car's correct details. Mr S had accepted he forgot to inform Calpe or his broker of car B's change of number plate. But it seemed the *original* registration plate on car B was suspended, as Mr S had told the DVLA about it.

Calpe said as car B with its new plate wasn't mentioned in the policy documents, or recorded on the MID, Calpe wouldn't have had to cover any claim involving it. And as Calpe was still carrying the risk for car B with its *old* registration plate, Mr S wasn't entitled to a part-refund on the policy.

I thought Calpe was right to say that, under the strict terms of the contract, the car wasn't insured from the point the plate was changed until it was informed of that. But in terms of what was fair and reasonable, Calpe had accepted the risk on the car for the year. Mr S had paid for that cover. Calpe was never carrying any other risk – car B's original registration wasn't being used once the new plate was fitted. So I thought regardless of the plate that was showing, Calpe should provide Mr S with a letter of indemnity confirming the car was covered for the year. Mr S would be able to use the letter in his upcoming court hearing.

Since Calpe said the policy's non-renewal wasn't its decision, I thought it may be an issue for Mr S to ask his broker about.

I asked the parties to comment on my provisional findings. Mr S accepted them, but made no comments. Calpe didn't comment at all.

my findings

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

As neither party made any comment on my provisional findings, I see no reason to depart from them.

my final decision

My final decision is that I uphold this complaint. I require Calpe Insurance Company Limited to provide a letter of indemnity to Mr S *within seven working days* of the date of this decision.

Susan Ewins
ombudsman