

complaint

Mrs Z is unhappy that Tesco Underwriting Limited won't refund the premium she paid when it cancelled her motor insurance policy from the start. She says she made an unintentional mistake on her application and it's not fair for it to retain her premium.

background

Tesco says before this policy was taken out it'd provided other quotes with Mrs Z's son correctly recorded as the car's registered keeper. These quotes had different terms and conditions and were more expensive than this policy was. Here it'd cancelled Mrs Z's policy from the start because she didn't correctly disclose who the owner and registered keeper of the car was. And under the policy terms it has the right to retain the premium paid if the policy is cancelled like this due to the misrepresentation of information.

Our investigator felt this complaint shouldn't be upheld. She said:

- Where the complaint is about non-disclosure of information to an insurer we look to see whether a clear question was asked when the policy was taken out.
- Here Mrs Z completed an online application. She was asked whose name was on the car's registration document and it was explained this was the person shown on the car's V5 registration document. Mrs Z answered it was the policyholder and she completed the application with her as the policyholder.
- Mrs Z says when she later checked the V5 she discovered her son was the registered keeper named on it.
- Mrs Z was asked a clear question when she took out the policy. Tesco has shown it wouldn't have offered her the policy if it'd known her son was the registered keeper of the car. So, it's reasonable for it to cancel her policy from the start.
- Mrs Z says her mistake wasn't deliberate. But it's her responsibility to ensure the information given was true and accurate. She didn't take reasonable care when completing the application. Because of this Tesco is entitled to cancel the policy from the start and retain the premium. It's treated her fairly.

Mrs Z has asked for an ombudsman review.

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 agree with the investigator's conclusions for the same reasons.

Mrs Z gave incorrect information in her application in response to a clear question. She wrongly said she was the owner of the car when it was in fact her son. And Tesco has said it wouldn't have offered Mrs Z the policy if it'd known this.

So, although I recognise Mrs Z's frustration I don't think Tesco has done anything wrong or treated her unfairly. And I don't think I can reasonably ask it to refund any premium to her as she'd like.

Overall, I don't see any compelling reason to change the proposed outcome in this case.

my final decision

I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs Z to accept or reject my decision before 8 December 2017.

Stephen Cooper
ombudsman