

complaint

Mr G and his son Mr G complain that Tradewise Insurance Company Limited ('Tradewise') didn't pay Mr G's claim for a stolen van under his motor trade insurance policy.

I'll use 'Mr G' to refer to Mr G senior and 'Mr G2' to refer to his son Mr G junior.

background

In 2013 Mr G took out a motor trade insurance policy with Tradewise. Mr G2 is named on the policy as an employee of Mr G. The policy also covers Mr G for his additional business as a landscape gardener.

In 2016 Mr G reported to Tradewise that his van had been stolen. Tradewise turned down the claim. It said Mr G2 owned the van. Mr G2 was an employee of the business. And employee's vehicles weren't covered under the policy. It said the van had been recovered by the police.

Mr G complained. He said neither he nor Mr G2 can read or write. They'd told Tradewise (via their broker C) that Mr G2 was a partner in the business, and Tradewise must have written this down incorrectly. Mr G2's friend (who also struggled with writing) helped him fill out the van's registration document. And Mr G2 mistakenly thought he had to put his own date of birth on to the van's registration document.

Tradewise still wouldn't pay the claim. It didn't think it had made a mistake. It had sent clear statements of fact to Mr G's broker C since the policy was first taken out in 2013. Tradewise had originally quoted for a policy where both Mr G and Mr G2 were part-time partners in the business, and both were landscape gardeners. This quote was about £1,000 more than the policy they'd taken out with Tradewise with Mr G2 as employee. If Tradewise had known Mr G2 owned the van it wouldn't have put the van on to the policy.

Mr G and Mr G2 complained to us. They said Mr G owned the van, and it had been a mistake for Mr G2 to put his own details on the registration papers. It wasn't fair for Tradewise not to pay. Our adjudicator thought Tradewise had been entitled to turn down the claim. So the complaint's come to me for review.

Our adjudicator also sent details of Mr G's new complaint (about Mr G2 not being put down as a partner) to the broker C.

my findings

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

Mr G and Mr G2 will see this complaint is now against a slightly different business from the original one. This is because their complaint is about a claim, so needs to be against the 'underwriter' or insurer. Tradewise Insurance Company Limited is the underwriter, and the correct business for this complaint. This doesn't change the outcome of their complaint.

I also need to make it clear that this decision is just about Tradewise. I've not looked at the new complaint about the broker C.

I think Tradewise acted fairly in turning down the claim.

The evidence is that Tradewise was asked to set up a policy where Mr G was a partner in the business, and Mr G2 was his employee. They say Tradewise must have noted this down wrongly as Mr G2 is a partner.

The evidence is that Tradewise sent Mr G's broker C a statement of fact each year. This clearly shows that Mr G was a partner and Mr G2 was Mr G's employee. I don't agree with Mr G that this was a mistake by Tradewise. This was the information it was given at the start of the policy. Tradewise had earlier quoted a much higher premium for a motor trade policy where Mr G and Mr G2 were both part-time partners in the business. I see that Tradewise also confirmed the partner/employee information when the policy was renewed each year.

If Mr G thinks his broker C has noted down the partnership information incorrectly he'll need to take this up with his broker.

The Tradewise policy doesn't cover vehicles owned by an employee of the business. Tradewise was told that Mr G2 was an employee.

I've listened to Mr G2's telephone call to us when he first told us about the complaint. He told us that he was a partner in the business. He also said he bought the vehicle, and he thought he had to put in his details on to the registration document. But he can't read or write so he didn't understand. I've thought about everything I've seen and heard very carefully. But the overall evidence is that Mr G2 owned the van when the theft happened, and Mr G told Tradewise that Mr G2 was an employee. So I think Tradewise fairly turned down the claim.

my final decision

I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr G and Mr G2 to accept or reject my decision before 27 December 2016.

Amanda Maycock
ombudsman