

complaint

Mrs C complains about how One Call Insurance Services Limited responded when she found that her car wasn't covered by her motor insurance policy. She wants it to indemnify her for the consequences.

background

Mrs C said she took out a new policy with One Call to begin when her old policy expired. She said she sent it all the required documents. But, three months later she found that she was uninsured and she was fined.

Mrs C called One Call three times before it realised that Mrs C was insured for the wrong car. One Call said Mrs C should have noted this from her policy documents. Mrs C said her car registration number was clear on her proof of No Claims Discount (NCD) that she'd provided. One Call arranged for Mrs C to be covered for an additional premium and it offered her a £25 reduction in its administration fee. But Mrs C was unhappy with this.

Our adjudicator recommended that the complaint should be upheld. She thought One Call, as the expert, should have discovered the problem earlier rather than just reassuring Mrs C. She thought it should have asked her for her car registration number. She thought One Call should pay Mrs C an additional £50 compensation for her trouble and inconvenience.

One Call replied that it didn't think compensation was warranted as Mrs C could have called it to say the registration was incorrect.

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 One Call that it's for Mrs C to check her policy documents to make sure that they suit her needs. I also agree that it has to rely on the information Mrs C provided. The correct registration was on the NCD proof, but neither Mrs C nor One Call noticed the inconsistency. Mrs C accessed her policy documents online several times, but she didn't notice the wrong car registration. So I can't say that One Call was at fault for setting up the policy for the wrong car or require it to indemnify Mrs C for being uninsured.

But when Mrs C called One Call after she found that her car was uninsured, I think it should have done more than it did to explore and resolve the problem. Instead, it twice reassured Mrs C that all was well and it didn't check the car details.

It was four weeks after her first call that Mrs C called One Call to say that she'd realised that the registration was incorrect. It was for her old car. Mrs C now had a fine to pay. So, I think if One Call had acted earlier, such as by checking the registration with Mrs C, then she would have avoided further trouble and upset.

When a business makes a mistake, as it has done here, we expect it to restore the consumer's position. I can see that One Call has arranged new cover for Mrs C with a small increase in premium, so I think that's reasonable. It's also refunded £25 of its £39 administration fee as a gesture of goodwill.

But I don't think this goes far enough to compensate Mrs C for the trouble and anxiety she was caused. I think One Call should pay her a further £50 compensation for this. This is in keeping with what I'd award in similar situations.

my final decision

My final decision is that I uphold this complaint in part. I require One Call Insurance Services Limited to pay Mrs C a further £50 compensation for the trouble and upset its level of service caused her.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs C to accept or reject my decision before 13 March 2018.

Phillip Berechree
ombudsman