

complaint

Miss R complains that she was told that insurance cover and breakdown cover were misrepresented to her when she entered into a conditional sale agreement with Hyundai Capital UK Limited, trading as Hyundai Finance.

background

A new car was supplied to Miss R under a conditional sale agreement with Hyundai Finance that she signed in February 2017. She says that the dealer told her that she had seven days insurance cover and breakdown cover with a particular company. She was involved in an accident later that day and contacted the dealer but was told that she didn't have insurance cover. She complained to the dealer but wasn't satisfied with its response so complained to this service.

The investigator didn't recommend that this complaint should be upheld. He said that the manufacturer does offer free insurance for seven days when someone buys a new or used car from an authorised dealer – but the customer needs to either phone its insurance number or provide information online. The insurance is provided by a third party so the dealer isn't able to arrange it and give cover. Miss R didn't receive a certificate of insurance or cover note and he said that it was her responsibility to confirm and obtain proof of cover. He said that the conditional sale agreement required Miss R to insure the car and that she received a handover document that said she was: “... *legally required to insure your new vehicle before driving away so please cover prior to collection*”. So he wasn't able to say that Hyundai Finance had done anything wrong.

Miss R has asked for her complaint to be considered by an ombudsman. She has described in detail the events leading up to the car being supplied to her and the reasons for her understanding that she was insured. And she says that the dealer hasn't provided her with an insurance certificate for the courtesy car that she's driving – even though she's asked for it twice.

my findings

I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint. But where the evidence is incomplete, inconclusive or contradictory (as some of it is here), I have to reach my decision on the balance of probabilities – in other words, what I consider is most likely to have happened in light of the available evidence and the wider circumstances.

I sympathise with Miss R because it must've been very upsetting for her to be in an accident in her new car and then to discover that she wasn't insured. But I'm not persuaded that there's enough evidence to show that she was told by the dealer that she was insured.

It's clear from the evidence that's been provided by the dealer and Hyundai Finance that seven days insurance cover was available to Miss R - but it had to be arranged by her either by phone or online. Miss R accepts that she didn't contact the insurer to arrange the free cover. Miss R accepted the obligation in the conditional sale agreement to keep the car insured. She also received a handover document which said that she was legally required to insure the car and she signed an FCA statement to confirm that the car would be fully insured. And she wasn't provided with an insurance certificate or cover note to show that she was insured. The dealer didn't provide the insurance – and I consider it to be more likely

than not that its representative would've known that Miss R needed to arrange the insurance. So I'm not persuaded that he would've told Miss R that she had insurance cover.

Miss R has also complained that she was told that she had breakdown cover with a particular company and that she would be provided with a courtesy car. But I'm not persuaded that there's enough evidence to show that Miss R was told that breakdown cover with that company would be provided to her. The dealer says that breakdown cover is included with the manufacturer for five years from the date of registration (but it wouldn't cover an accident damaged car). It also says that the manufacturer offers a free of charge service that is detailed in the car's handbook and which provides the assistance of an accident management company which deals with both insurance companies. The dealer also says that it provided a courtesy car to Miss R because she was in a very difficult situation and that she's still driving the courtesy car six months later with no charge. But it says that she has no entitlement to a courtesy car in these circumstances.

For these reasons I'm not persuaded that there's enough evidence to show that the insurance cover or breakdown cover were misrepresented to Miss R. So I consider that Hyundai Finance has dealt with her complaint correctly. And I find that it wouldn't be fair or reasonable for me to require Hyundai Finance to pay for any damage caused in the accident – or to take any action in response to Miss R's complaint.

Hyundai Finance isn't responsible for the courtesy car that the dealer has provided to Miss R – and it has no involvement with the insurance cover for that car. So I'm unable to require it to provide Miss R with details about that insurance. Any issues about that insurance cover should be raised again with the dealer.

my final decision

For these reasons, my decision is that I don't uphold Miss R's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss R to accept or reject my decision before 11 October 2017.

Jarrold Hastings
ombudsman