

complaint

Mr M complains about the way Adrian Flux Insurance Services Group administered his motorbike insurance policy, leading to its cancellation by the insurer.

background

Mr M used a price comparison website to search for a policy. He was asked if he knew the bike's registration number. When he entered it, Mr M says the online document automatically populated the engine size of his bike as 49cc. Mr M knew it was a 90cc engine. He says he'd previously entered it as that. But he was unable to change the 49cc entry. The details were passed on to Adrian Flux. Mr M says he completed details on its website as well, although Adrian Flux says there's no option for consumers to change the details first entered online.

The policy documents were issued by email the same day, with a welcome letter. On the next working day Adrian Flux contacted Mr M. One of its advisors queried the details he'd given online about an accident. She also queried his bike having a 90cc engine when the online form said it was 49cc. Mr M said he'd entered 90cc. And he said as the engine wasn't the original one for the bike, he'd said there was an engine modification. He said there was no option to enter 'replacement engine' online.

The advisor said the option he should have selected was 'non-standard' engine. She said the insurer no longer wanted to insure the bike, so the policy would be cancelled and Mr M wouldn't get a full refund. The insurer charged for the four days he'd had on cover. Mr M thinks Adrian Flux should refund that sum to him. In his view it made an error, as he'd filled in the details online correctly, to the best of his ability. Adrian Flux disagrees with that, although it waived its administration charge as a gesture of goodwill.

One of our investigators reviewed Mr M's complaint. She thought it was fair for Adrian Flux to rely on the details Mr M had entered online. She said the welcome letter sent to him straight after he bought the policy asked him to check if all the policy details were correct. The letter said he should contact Adrian Flux if they weren't, as his policy could be cancelled or voided. She didn't think Mr M's complaint should be upheld.

As there was no agreement, the complaint was passed to me.

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 don't think it should be upheld.

An advisor from Adrian Flux's IT department has confirmed that Mr M's details transferred to it directly from the comparison website. There was no option for Mr M to change them.

He said when Mr M entered his registration details, a 49cc engine was automatically recorded (the bike's original engine size). Mr M had to agree to a statement online to say that was correct. There was an option to choose a higher engine cc – but only for a manual bike, and Mr M's was automatic. The IT advisor said the drop-down list for modifications to the bike would have allowed Mr M to enter 'non-standard engine', but instead he entered 'miscellaneous engine alteration'.

I've listened to the call between Mr M and Adrian Flux's advisor on the next working day after he took out the policy. In that call, Mr M argued that he'd said there was an alteration to the engine, as there was no option to say it had been replaced. He thought that was the next best description. The advisor said the correct description was non-standard (as a 90cc engine wasn't standard in Mr M's automatic bike). Mr M disagrees. He says the engine is a standard one made by the manufacturer, so in his view it's a standard one in his bike.

From the details I've seen, it seems that a 90cc engine isn't standard on the automatic version of Mr M's model of bike. I think it's arguable that the options he had to choose from to describe the modification weren't as clear as they could have been. There was no guidance on what was meant by an 'alteration' to the engine, or what 'non-standard' engine meant. So in my view, Mr M chose the description he thought was correct. But he was well aware that the online details of the bike's engine size weren't right.

In my opinion, Mr M should have called Adrian Flux when he got its one-page welcome letter and other documents later that same day. I think the content of the welcome letter was clear and concise. It said the details Mr M had set out were being validated. It said they formed the basis of the insurance contract. It said Mr M should call *immediately* if any of them were wrong, to avoid cancellation or voidance of the policy. I think that was a reasonable request.

The wrong engine size was clearly shown in the summary of details set out down one side of the page. It was also shown in the other documents. Mr M hasn't said why - despite being aware that a crucial piece of information was wrong - he didn't call Adrian Flux. Had he done so, the policy wouldn't have started, so he wouldn't have been charged.

Taking everything into account, I don't think Mr M has shown that Adrian Flux acted unreasonably, so I can't uphold his complaint.

my final decision

My final decision is that I don't uphold this complaint. Under the Financial Ombudsman Service's rules, I must ask Mr M to accept or reject my decision before 4 July 2019.

Susan Ewins
ombudsman