

complaint

Mr W complains that Motability Operations Limited (MO) left him technically without motor insurance cover for a period between May and June 2014.

background

Mr W leases a car through the Motability scheme. His monthly payment includes the cost of motor insurance. In May 2014 his three year lease was due to come to an end but MO extended it until August when his new car would be available under the scheme. As Mr W had cherished (pre 1963 dateless) number plates which he wished to retain, it was necessary for the DVLA to issue a new log book (V5C) with an age-related registration number for use until his new car was ready. MO received the V5C on 15 May. But due to an administrative error, MO didn't send Mr W the documents so he could have the age related number plates made up until 28 May.

MO accepted that its administrative error caused a delay in sending Mr W the documents to enable him to have the age related number plates made up. It offered Mr W £100 to compensate him for this. Mr W remained very dissatisfied with the service he had received, saying he had had to hire a car as otherwise he wouldn't have been insured.

The adjudicator recommended that the complaint shouldn't be upheld. He thought that MO's offer of £100 was fair and reasonable.

Mr W didn't agree. He said that the delay in sorting out the V5C resulted in a major legal breach. The details on the motor insurance database for his car hadn't been properly updated. This put him at risk of being stopped by the police for driving without insurance. He said that the discrepancy between the number shown on his number plate and the number registered with the DVLA technically invalidated his insurance cover.

my findings

I have considered all the available evidence and arguments to decide what is fair and reasonable in the circumstances of this complaint.

MO has provided copies of its file and investigation into Mr W's complaint. It appears that it received the V5C from the DVLA on 15 May. As the registration number didn't match Mr W's car, nobody connected the documents to him. So the authorisation to get the age related plates made up was not sent to him immediately, as MO accepts it should have been.

Mr W also phoned MO on 15 May. He asked if he could get the new plates with the age related registration number made up because he had received notification from the DVLA that the cherished plates would be transferred to the new vehicle. MO's records show that he was reassured that the cover provided related to the car specified in the agreement rather than the registration mark so he was fully covered to continue driving. After Mr W called again on 23 May, the administrative error came to light. On 28 May MO sent the documents enabling him to get the age related plates made.

Mr W called again on 30 May. During this call MO says it again reassured him that he was covered by the fleet policy. Despite these assurances, which Mr W accepts he was given, he remained concerned to the extent that he says he hired a car in his mother's name so that he could get to work.

I find that at all times Mr W was insured to drive the car he was leasing from MO. I reject the suggestion that because the age-related registration number didn't match the number displayed on the vehicle this invalidated MO's fleet insurance policy. I am further satisfied that MO repeatedly told Mr W that he had cover. If Mr W had any real doubts about this it would have been open to him to ask MO to confirm the situation in writing. It follows that I am satisfied that Mr W didn't need to hire a car. There was no reason why he couldn't continue to use his own vehicle.

I accept that as the result of the administrative error, Mr W needed to make an additional phone call to MO on 23 May. But I find that this was the limit of the distress and inconvenience caused by MO's handling of this matter. Fortunately the phone call on 23 May led to the mistake being discovered and rectified in a timely manner.

After Mr W received authorisation from MO, he says he delayed having the plates made up until he had also received confirmation from MO's insurer that it had updated its information relating to the registration number. Mr W complains that that this meant that the information recorded on the Motor Insurer's Database (MID) was inaccurate. Any complaint about the delay in updating the information on the MID should be pursued against the insurer. I am satisfied, on the basis of the documents that I have seen, that once MO had picked up the administrative error, it acted promptly to resolve the situation. This included offering Mr W £100 for any distress or inconvenience caused. I agree with the adjudicator that this offer was fair and reasonable. I can find no error on the part of MO. Its offer of £100 remains open for Mr W to accept.

my final decision

My decision is that I do not uphold the complaint. I make no award against Motability Operations Limited.

Under the rules of the Financial Ombudsman Service, I am required to ask Mr W to accept or reject my decision before 2 March 2015.

Melanie McDonald
ombudsman