

## **complaint**

Mr M has complained that due to Tesco Underwriting Limited's error when he bought a car insurance policy, he was stopped by police for driving uninsured and his car was impounded.

## **background**

Mr M bought a car insurance policy with Tesco online. Mr M added his registration details correctly. But Tesco said it should have prevented its customers from adding a space in the registration number. This space meant Mr M's car registration wasn't correctly added to the Motor Insurance Database (MID).

In January 2018 Mr M was stopped by police as his car registration didn't show up on the MID as being insured. The police impounded his car.

Mr M contacted Tesco the following morning. It spoke to the police and confirmed that Mr M was insured. Mr M paid the impound fee to release his car.

Two weeks later Mr M received a notice from the police. This notice said Mr M needed to choose to either accept penalty points on his licence and a fine – or request a court hearing. Mr M was very upset about this, so in February 2018 he contacted us. We asked Tesco to look at Mr M's complaint.

In February 2018 Tesco upheld Mr M's complaint. It apologised for its error which led to Mr M being stopped by the police. Tesco paid him compensation of £500 and said it would reimburse the impound fee subject to proof of payment. Tesco also provided Mr M with a letter of indemnity that he could forward to the police. It said this usually prevented further action.

Mr M remained unhappy, so he asked us to look at things for him. In March 2018 Mr M gave us more details about what happened on the night he was stopped by the police. And he still had the worry of possible court action. So he didn't think the amount of compensation Tesco paid him was enough. He wanted over £100,000 for the upset he and his family have been caused.

Our investigator said he didn't feel the level of compensation Mr M was looking for was reasonable. But due to the circumstances Mr M described, he thought Tesco should increase its compensation from £500 to £700. The investigator explained that if the case went to court and the outcome wasn't in Mr M's favour, he could bring a separate complaint to Tesco about that.

Mr M didn't agree. He doesn't believe an increased compensation award of £700 is enough to reflect the upset he and his family were caused.

Tesco didn't agree. It said it confirmed cover as soon as was reasonable. It's refunded the impound fee and provided Mr M with a letter of indemnity promptly. Tesco doesn't feel it's appropriate to award further compensation for what Mr M says happened that night. It wasn't aware of Mr M's detailed account when it dealt with his complaint. Tesco said it's dealt with Mr M's complaint in line with our approach.

Mr M received a letter from the police in April 2018 to let him know no further action will be taken.

I issued a provisional decision on 7 June 2018. I thought Tesco had done enough to put things right. I didn't think the situation Mr M said the police left him and his family in after it impounded his car was something Tesco was responsible for.

Tesco didn't reply to my provisional decision. Mr M says he rejects my provisional decision.

### **my findings**

I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint. Having done so, I don't intend to uphold it. Mr M hasn't provided any new information for me to consider since issuing my provisional decision. I think what Tesco did to resolve Mr M's complaint was fair and reasonable. I'll explain why.

In March 2018, after Tesco replied to Mr M's complaint, he gave us a detailed account of what he says happened on the night he was stopped by the police. Mr M said that he was left in the street with his two children – his youngest was in his pyjamas and slippers – and they were left to walk home. Mr M was stopped by the police at 12.30am. So by the time his car had been impounded; it must have been the early hours of the morning. As Mr M said, it was the end of January and so it was very cold.

Tesco said that in its experience – when children are involved – the police usually apply some discretion: by either giving Mr M seven days to produce proof of insurance, or at least provide assistance for Mr M and his children to get home. So it believes any police action which seems unfair isn't something Tesco can be held responsible for.

The situation Mr M says he was left in does seem unduly harsh. So I think the more appropriate recourse for Mr M is to contact the police about what happened the night he was stopped. I don't think it's reasonable to hold Tesco responsible for the way Mr M says the police handled the matter.

I agree that Tesco's error caused Mr M to be stopped by the police for driving uninsured – and for having his car impounded. I've no doubt that this caused Mr M considerable upset and inconvenience. And he had the worry and upset of possible court action when he received a notice for the offence of driving uninsured from the police dated 12 February 2018. So I think Tesco was unreasonable for failing to ensure his car registration was properly recorded on the MID.

However, I think once Tesco was aware of Mr M's complaint, it acted promptly. On 22 February 2018 it provided Mr M with a letter of indemnity which has prevented further action being taken against him. It refunded the impound fee promptly when it received proof of payment. And Tesco apologised and compensated Mr M for the trouble and upset its error caused.

I know that Mr M doesn't think the compensation amount of £500 – or £700 as the investigator recommended - is enough. But as I've said, I don't think Tesco is responsible for the upset caused after the police impounded his car that night.

I understand that the experience must have been distressing and embarrassing for Mr M. He was correctly insured after all. However, for the trouble and upset caused by being stopped by the police for driving uninsured – and for the worry of possible court action from February 2018 to April 2018, I think the compensation of £500 plus the refund of the £150 impound fee that Tesco paid is reasonable. So I don't think it needs to increase its award to £700.

**my final decision**

For the reasons I've given above, my final decision is that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr M to accept or reject my decision before 26 July 2018.

Geraldine Newbold  
**ombudsman**