

complaint

Mr B has complained that Armitage Insurance Services didn't pass on to his insurer information he gave it when he bought a motor policy through it.

background

Mr B bought a motor policy through a broker, Armitage in May. Later that month Mr B was stopped by the police whilst driving and they contacted his insurer. The police gave the insurer Mr B's address and told it that he held an international driving licence. The insurer couldn't verify Mr B's address and its policy said that Mr B held a full UK licence. So the police impounded his car and later told Mr B that if he could provide proof of insurance he could collect it.

Mr B's insurer cancelled his policy as if it never existed (also known as 'voidance') because it said that if it had known that Mr B held an international licence it wouldn't have offered him a policy at all and it couldn't verify his address. Because the insurer cancelled his policy Mr B said he couldn't provide proof of insurance so his car was scrapped. He said that he told Armitage from the outset that he held an international driving licence – so because Armitage told the insurer the wrong information about his licence it was responsible for him losing his car.

The insurer changed its decision to void Mr B's policy when he provided a copy of the V5 registration document for when he bought his car in March along with a copy of a six month tenancy agreement from February. The address on these documents was the same as the address Mr B gave the broker, but was different to the address the police had for him. He said he was doing contract work in a different area of the country which was the reason for the different address. The insurer told Mr B that it would change the recording of the cancellation to show that it wasn't as a result of it voiding the policy. However the cancellation still held because the insurer wouldn't provide a policy to him as he didn't hold a full UK licence.

Mr B then brought his complaint about the broker, Armitage, to us. He complained that:

- He told Armitage from the beginning that he held an international driving licence.
- When it sent him its Statement of Fact document there were a number of errors which prompted him to make a number of calls to it to correct it.
- Armitage told him to make the corrections and return the statement to them – which he says he did. But it only made some changes even though it did receive the signed document from him.
- It asked him to send it proof of ownership of the car and his international licence which he did.
- Because it didn't act on him telling it that he had an international licence and the proof he provided it's responsible for the loss of his car.
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Armitage said;

- Mr B didn't tell it that he had an international driving licence.
- It only has a record of Mr B calling it once on 5 May after it sent him the Statement of Fact and the only change he asked for was the spelling of his name. It doesn't have a record of any other calls that Mr B made to it after that.

- It didn't ask Mr B to provide any proof or further documents - the insurer asked for proof after he was stopped by the police later in May.
- It didn't receive a Statement of Fact with any corrections on it when Mr B returned the signed agreement.
- Mr B's policy was cancelled by the insurer because it discovered that he didn't disclose his true address when he bought the policy.

Armitage offered Mr B a full refund of his premium to resolve the complaint but Mr B didn't accept it.

The adjudicator who investigated it felt that there wasn't enough to show him that Mr B had told Armitage that he held an international licence or that he made corrections to his Statement of Fact – although there were clearly several errors with the information on it. Mr B had provided proof that he made a number of calls to Armitage after it sent him the Statement of Fact – but there wasn't enough to support Mr B's account that Armitage had asked him for proof of his licence or that they knew he held an international licence before he was stopped by the police. So he thought that Armitage's offer to refund to Mr B his full premium was fair.

Mr B didn't agree. So the matter has been referred to me to decide.

my findings

I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint.

The issue is whether Armitage knew that Mr B held an international driving licence before he was stopped by the police. Armitage said that it didn't record its calls with Mr B. Mr B said that he gave his details to Armitage over the phone. One of the reasons why he called Armitage so many times was because of the errors in the Statement of Fact he received from it on 2 May. He also said he called it a number of times because he wanted a temporary cover note while he was waiting for his policy documents to arrive. He's unhappy that Armitage sent him another driver's cover note in error.

Mr B said that he followed Armitage's instructions when he called it about the errors by marking them with a pen on the Statement of Fact and returning the signed document in a pre paid envelope provided by Armitage. He didn't take a copy of what he returned so he can't provide proof that he did this. But he believes that because Armitage changed his name and has the signed document, it received the corrected Statement of Fact from him too. He said that Armitage asked him for proof of his ownership of his car and his driving licence which he sent – so Armitage didn't tell the insurer what it knew and it's at fault for him not being insured when his car was scrapped. Mr B has provided proof that his car was scrapped.

In this case I don't have evidence to support what was discussed over the phone as there are no call recordings or transcripts. So I've considered the other information available and whether this supports each party's account of what was discussed.

There were a number of errors on the Statement of Fact including the date Mr B passed his test and how long he held a full UK licence for which Mr B says Armitage recorded incorrectly. Armitage says it recorded what Mr B told it and Mr B says that Armitage didn't and is responsible for the mistakes.

Mr B's telephone bills show that he made a number of calls to Armitage in May after he received the Statement of Fact from it. But Armitage said that Mr B only alerted them to one correction after he received the Statement of Fact – in a phone call – to correct the spelling of his name. I appreciate that Mr B says that one of the reasons why he called it was to alert it to several errors in the Statement of Fact – in particular that he didn't hold a full UK licence - but proof of phone calls in this case isn't enough to persuade me that this happened. Some of the calls lasted for a few seconds so I don't think Mr B spoke to Armitage each time he called it. Mr B was also in email contact with Armitage and he has provided a copy of emails between him and Armitage – but none show that he alerted it to errors in the Statement of Fact.

Mr B said that he also sent Armitage corrections to the Statement of Fact by post– but he believes that the copy provided by Armitage to us is the original one which is several pages with no corrections. Mr B believes that Armitage has replaced the earlier pages that he corrected with the original ones to cover its mistake. I appreciate that Mr B believes this happened – but there's nothing to show me that it did as Mr B doesn't have a copy of the originals which he said he corrected.

Mr B said that Armitage is lying as it did write to him to ask him to provide additional documents including his licence. But Armitage said that it didn't and Mr B hasn't provided anything to support his view that it did – or that he sent his international licence to Armitage if it did ask for it.

I know that Mr B will be very disappointed with my decision. But ultimately there isn't enough information to show me that Mr B told Armitage that he held an international licence before he was stopped by the police. So I don't think it acted unreasonably. It follows that I don't think it's responsible for the subsequent events that led to Mr B being unable to provide proof of insurance to reclaim his car after it was impounded by the police. Armitage says that it will refund the premium Mr B paid for the cancelled policy to him – so waiving its cancellation fee - which I think is a fair outcome for Mr B.

Mr B said that Armitage sent him another driver's cover note which shows it breached the Data Protection Act. I don't think Mr B was put to a disadvantage by Armitage's error. He can inform the Information Commissioners Office if he believes that such a breach took place.

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 B to accept or reject my decision before 1 April 2016.

Geraldine Newbold
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