

complaint

Mr H complains that in April 2012 Adrian Flux Insurance Services Group arranged an insurance policy for his motorcycle online, without telling him it was a requirement that he supply a copy of his driving licence.

background

Mr H said that having been a victim of financial fraud, he was very careful about supplying copies of documents such as driving licences or passports. If this was a requirement of the policy, he should have been told about it in advance. If he had been, he might have selected an alternative policy. Adrian Flux said it would cancel his policy if he did not supply the driving licence, which he did under protest.

Adrian Flux said that it was a requirement of the insurer that Mr H supply a copy of his driving licence. By an error on Adrian Flux's part, this was not made known to Mr H when the policy documentation was first issued. In August 2012, Adrian Flux apologised for its error and offered:

- A) to refund its policy arrangement fee of £15; or
- B) to allow Mr H to cancel the policy within the next 7 days and refund the whole premium of £126.30, less a charge of £15.90 - as if he had cancelled within the cooling off period.

Mr H declined both offers and complained to this service.

Our adjudicator did not recommend that this complaint should be upheld. He said that the requirement to supply a copy driving licence was not so unusual that it had to be made known to Mr H before he agreed to take the policy. While he understood the reasons for Mr H's reluctance to supply this, Adrian Flux had confirmed that the paper copy had now been destroyed. A digital version would be retained for three years and then destroyed. In the meantime it would be encrypted and password protected.

Mr H responded to say, in summary, that from enquiries he had made, he believed the requirement was unusual in a motor insurance policy – he had never been asked for this before. Also, he had not been able to find such a requirement in the wording of his policy. He considered that Adrian Flux enforcing this requirement was outside the contractual terms of his policy, and had caused him anxiety and inconvenience.

my findings

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

While I understand the sensitivity of Mr H about sending a copy of his driving licence, I do not think it was unreasonable for the insurer to make this a requirement of assuming risk. I do, however, consider the requirement should have been made known to Mr H at the outset so that if, for any reason, he was unwilling to comply with it, he could cancel the policy and arrange insurance elsewhere.

I note that in August 2012, Adrian Flux did offer Mr H the option of cancelling the policy and receiving a refund of the premium, less only a charge of £15.90 in respect of the cover he

had had since April. I consider this was a reasonable offer in the circumstances. However, Mr H declined this offer, and kept the policy for the rest of its term.

As an alternative, Adrian Flux offered to refund its arrangement fee of £15, which Mr H also declined. Adrian Flux has confirmed that this offer is still available if Mr H wishes to accept it. I consider that this is reasonable compensation for the distress and inconvenience Mr H has suffered, and that Adrian Flux is not required to do anything more.

my final decision

For the reasons I have set out above, my decision is that I do not uphold this complaint and make no award against Adrian Flux Insurance Services Group. I simply leave it to Mr H to decide whether he now wishes to accept the refund of £15 which it has offered.

Lennox Towers
ombudsman