

complaint

Mr O has complained that Principal Insurance Limited recorded the wrong registration details when he bought his motorcycle insurance policy. This led to him being stopped by police for driving without insurance.

background

Mr O bought a motorbike insurance policy through a broker, Principal in 2015. He renewed his policy in 2016.

In June 2017 Mr O was stopped by police as his motorbike wasn't registered as being insured. His motorbike was impounded and he is waiting to attend a court hearing.

Mr O complained to Principal. He said it hadn't recorded the registration details for his bike correctly. Principal upheld Mr O's complaint and reimbursed him for the impound release fee and some of his travel costs. It offered to refund Mr O some of his yearly premium.

But Mr O didn't think this was enough, so he asked us to look at his complaint. Principal then offered to refund Mr O a year's premium, which he didn't accept. He said an agent of Principal was rude to him when he called and had breached data protection laws. The impact of its error had caused Mr O considerable upset and time off work. He'd worried about the things that could have happened and the impact on his family if he hadn't been insured since 2015.

But on further investigation, Principal realised Mr O had bought his policy online and he had provided the registration details. So Principal said it wasn't responsible for the error. Principal withdrew its offer to refund Mr O a year's premium. It said it wouldn't look to recover the impound fee and travel costs it had reimbursed Mr O for.

The investigator didn't recommend Mr O's complaint should be upheld. Principal provided screenshots from the aggregator website and call recordings. Based on the information available, she thought it was Mr O who had provided the incorrect registration details for his motorbike. So she didn't think Principal was responsible for Mr O being stopped by police.

Mr O didn't accept the investigator's findings. He said he made many calls to Principal when he bought his policy in 2015. He bought it over the phone as he couldn't complete the application online. Principal didn't always ask him the appropriate security questions. Mr O feels we've been biased as he believes Principal hasn't provided all information on his case. He says we've failed to protect him as a consumer.

So the matter has been passed 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. Having done so, I don't intend to uphold it.

I appreciate that Mr O believes we haven't been provided with all recordings of calls he made when he bought his policy. We've asked Principal – and it says it has checked its record for the period when Mr O bought his policy in 2015. It's provided the call recording it has.

In this call Mr O says he's just bought a policy and paid for it. He was waiting for the policy documents to come through, which the agent said should happen very soon.

Principal has provided screenshots from an aggregator website which shows the information Mr O completed online. So the registration details were provided by Mr O.

The call recordings don't show me that Mr O provided his registration details over the phone. As I don't have anything to contradict the screenshots provided, I can't conclude that Principal is responsible for providing the wrong registration details to Mr O's insurer.

Mr O's policy documents for 2015 and 2016 show the same registration details as the screenshot. So I think Mr O had the opportunity to check his policy documents and contact Principal if anything was incorrect.

Mr O says he called Principal several times to chase for his policy documents as it used the wrong email address. Principal says the email address it used was the one provided during the online application process – and showing on the screenshot.

I've listened to the call recording of when Mr O complained to Principal. I don't think the agent disclosed any personal information to Mr O until he'd answered its security questions. But as the investigator explained, it isn't for us to decide if a business has breached the Data Protection Act. Mr O can contact the Information Commissioners Office if he wants to pursue this matter.

But I agree with Mr O in that I think the agent could have handled the call better. And I think the way the agent spoke to Mr O caused him unnecessary upset.

However, Principal has paid some travel costs and the impound fee to Mr O for an error which I don't think it caused. So I don't think it's right for me to award further compensation for the poor service Mr O received during this call. This is because the amount I would've awarded would be less than the amount Principal has already paid Mr O.

Principal says although the registration details weren't correct, insurance cover was in place for Mr O's bike. If Mr O requires proof, it can obtain a letter from the insurer to confirm that despite the registration details being incorrect, it would have honoured cover. I think this is reasonable and might help Mr O in any forthcoming court hearing.

Based on the information I've seen, I think Mr O provided the incorrect registration details for his motorbike. So I don't think Principal is responsible for the subsequent impact of Mr O being stopped by police.

I understand Mr O will be disappointed with my decision, but I think Principal has acted reasonably. So I'm not upholding his complaint.

my final decision

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

If Mr O requires Principal to obtain a letter of indemnity from his insurer, Principal should provide this.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr O to accept or reject my decision before 5 March 2018.

Geraldine Newbold
ombudsman