

The complaint

Miss C complains JCT600 (Yorkshire) Ltd mis-sold her a tyre and alloy insurance policy on three vehicles she bought from them.

What happened

The details of the claim are well known to both parties, so I won't repeat them again here. Instead, I'll summarise the background and focus on the reasons for my decision.

JCT600 sold tyre and alloy insurance policies to Miss C on three vehicles she bought from them between November 2017 and October 2018.

Miss C says these policies were mis-sold to her at a time when she was vulnerable, and she had no need for the cover as she ran her own alloy wheel repair business. If JCT600 had carried out the necessary due diligence, Miss C feels this would've been realised by it. To put things right she asked for a refund of the premiums and compensation.

Miss C referred her complaint to this service for an independent review. The Investigator explained he wouldn't be considering the vulnerable position of Miss C and impact of this with JCT600 as this had been determined in a prior decision of this service. In light of this, they thought Miss C was given enough information at the time the policies were sold to make an informed decision as to whether the policies met her needs. And each policy came with a 30-day cooling off period when it could be cancelled for a full refund. So, the Investigator didn't uphold Miss C's complaint. Whilst she'd referred to not needing the policies as she ran her own alloy wheel repair business this didn't change the Investigators view on the matter as they were satisfied she'd been provided with enough information to make an informed decision. Further, they noted two of the policies had been sold after her business was served with a compulsory strike off notice.

Miss C disagreed. She explained she was in a vulnerable position which didn't allow her to see things for what they really were, but she doesn't feel this has been fully understood. The closure of her company was requested by her, also under the persuasion of the salesperson who sold her the policies. She explained she didn't read the paperwork and had never had finance or policies like this before - she trusted the salesperson.

The Investigator and Miss C communicated about this, but these points didn't change the Investigators view. This matter has now been passed to me for a decision.

What I've decided – and why

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

Although a number of matters and points have been raised, this decision focuses on what I consider are the main issues. However, I've given careful consideration to all of the submissions made before arriving at my decision. Having done so, I'm satisfied the

Investigator reached a fair outcome here. So, I don't uphold Miss C's complaint in this matter. I'll explain why.

When selling an insurance policy on a non-advised basis, a business is required to give the customer information about the policy that is clear, fair and not misleading. This is to allow the consumer to make an informed decision about whether to buy it. If the business sells the policy on an advised basis, it's also required to ensure the policy is suitable for the customer's needs.

Taking everything into account, I haven't seen any evidence that would allow me to safely determine it's more likely JCT600 failed to fulfil its obligations in relation to this matter. I say this because Miss C acknowledges she was given the relevant information by JCT600 which sets out the terms of cover. And I note she had the option to cancel each policy for a full refund within 30 days.

Whilst I appreciate she says she trusted the salesperson and didn't read the information she was given, it was ultimately Miss C's choice to do this. It doesn't necessarily follow from her decision not to read the policies that JCT600 failed to fulfil its obligation to give her information which is clear, fair and not misleading. And I haven't seen sufficient evidence in this complaint to say it has or that the policies weren't suitable for Miss C at the time. I'm therefore satisfied, on balance, JCT600 didn't mis-sell the policies to Miss C.

Finally, I'm not ignoring the fact Miss C says these policies were sold to her at the time she was vulnerable. But, as explained by the Investigator, the issue of Miss C's vulnerability in relation to her dealings with JCT600, including its due diligence, has already been determined in a prior decision of this service. That decision found the vulnerability policy of JCT600 wasn't triggered in its dealings with Miss C. In light of this, it's not a matter I'm able to revisit in this complaint.

I recognise Miss C will be disappointed with this outcome as she feels the business needs to be held to account. But my decision ends what we – in trying to resolve her dispute with JCT600 – can do for her.

My final decision

For the reasons set out above, I don't uphold Miss C's complaint. Under the rules of the Financial Ombudsman Service, I'm required to ask Miss C to accept or reject my decision before 20 December 2023.

Rebecca Ellis
Ombudsman