

The complaint

Mrs T complains that Adrian Flux Insurance Services Group (“Adrian Flux”) mis-sold her a car insurance policy. She also complains about them sending her a letter informing her that her policy would be cancelled.

What happened

Mrs T took out a policy through a broker, Adrian Flux. Mrs T says she believed she was taking out a fully comprehensive policy. She says she was then involved in a non-fault incident where a third-party drove into her car while she was stationary and then drove off - so she made a claim against her policy. Mrs T says the claim was declined because the policy only covered third party, fire and theft. Mrs T complained the policy had been mis-sold. Mrs T also says, because the third-party left the scene without exchanging details, she tried claiming on the legal expenses cover of the policy and complained that she hadn’t received any pay-out for this. Mrs T also complained about a letter she’d received from Adrian Flux which said her policy would be cancelled.

Adrian Flux responded and explained Mrs T arranged cover during a call in April 2020. They said they offered third party, fire and theft cover and, while Mrs T did ask about fully comprehensive cover, she decided it was more financially beneficial to proceed with the third party, fire and theft cover. They said they offered additional add-ons to the policy including personal accident cover. They said the level of cover was also confirmed in the policy documents issued that year as well as further renewals. They said as the damage to Mrs T’s car following the incident isn’t covered under her policy, they’ve contacted the insurance intermediary for Mrs T’s legal expenses cover to instigate a claim under the uninsured loss aspect of her legal cover.

Our investigator looked into things for Mrs T. He thought Adrian Flux hadn’t mis-sold Mrs T a policy and didn’t uphold the complaint relating to the legal expenses cover or about the cancellation letter. Mrs T disagreed so the matter has come 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.

Having done so, I’ve decided not to uphold the complaint. I understand Mrs T will be disappointed by this but I’ll explain why I have made this decision.

Mis-sold policy

I’ve listened to a call recording of Mrs T’s call with Adrian Flux when first looking to take out a policy. Mrs T explains she wants to add a car temporarily to her policy and the call handler provides a quote for cover for one month and three months. Given the price, Mrs T agrees to be transferred to another team to discuss an annual policy. The next call handler then goes through a series of questions with Mrs T where she explains the value of her car is £800.

The call handler provides a quote for a comprehensive policy and another for third party, fire and theft cover. It's clear the quotes given are higher than what Mrs T was expecting so the call handler explains they'll contact Mrs T the following day to see if they can get a better price.

Mrs T then calls the following day to see if a more competitive price can be achieved. The call handler provides a quote of £461.99 for third party, fire and theft together with add-ons, which include personal accident cover. The call handler explains this means if Mrs T has a fault claim, then she would have to pay for her vehicle herself. Mrs T enquires about a comprehensive policy and the call handler explains the value of the car is £800, and the excess payable would be £300, so Mrs T would receive around £500 in the event of a claim. The call handler also explains the price of the comprehensive policy is also £300 more. The call handler explains the third-party, fire and theft cover would work out cheaper and Mrs T then says, *"Let's go for that for now"* and Mrs T explains she doesn't really make claims. The call handler then discusses additional add-ons which would then provide similar benefits to a comprehensive policy and says, *"...apart from if you have a fault claim, you have to fix your own vehicle."* Mrs T then agrees to take out this policy.

I can see policy documents were then sent to Mrs T and this shows Mrs T's type of cover as third party, fire and theft. I've seen the renewal documents sent to Mrs T in 2021 and 2022, and this shows the cover as third party, fire and theft.

So, taking this all into account, I can't say Adrian Flux have mis-sold the policy as being fully comprehensive. During the call where Mrs T decides to take out the policy the call handler does make it clear the type of cover Mrs T is taking out is third party, fire and theft. During the call also, the call handler specifically points out the difference between this type of cover and comprehensive cover and explains the cover being taken out by Mrs T means she wouldn't be covered for her own vehicle in the event of a fault claim. During the call, and after the call handler quotes a price for the third party, fire and theft cover, Mrs T enquires about a fully comprehensive policy. So, I believe this suggests Mrs T did understand these were two different types of cover. And by saying *"...I don't really make claims...and I don't really hit people..."*, I believe this suggests Mrs T did also understand the limitations of third party, fire and theft cover when compared to comprehensive cover. The policy documents which then follow for that policy year, and for the two renewals, all set out clearly the cover type as third party, fire and theft.

Claim for personal injury and claim under legal expenses cover

I can't see Mrs T has raised any injuries with Adrian Flux. In addition to this, and looking through the policy booklet for the personal accident section of Mrs T's cover, this refers to a separate company who should be contacted in the event of a claim. So, I can't say Adrian Flux are responsible here or have otherwise acted unreasonably. If Mrs T does feel there are injuries she has sustained as a result of the incident, then I would refer Mrs T to her policy booklet setting out the steps she would need to take and the business she will need to contact to register a claim.

In relation to a claim against the legal expenses section of Mrs T's policy, the policy booklet says Mrs T will need to contact a specified company – who I'll refer to as company A. The policy booklet says company A have arranged the policy and it appears they're acting as administrator of the policy as their contact details are listed in the event of a claim. Adrian Flux say they've referred Mrs T's claim to company A to instigate a claim under the uninsured loss aspect of Mrs T's legal expenses cover. Adrian Flux say the legal expenses section of the policy doesn't provide cover against unknown third parties and as Mrs T wasn't able to obtain the third party's details, this is likely to be the reason for Mrs T being

unable to utilise her legal expenses policy. I've looked at the policy documents for the legal expenses cover and the Insurance Product Information Document says, under a section headed 'What is not insured?', "*Any claim where the opponent cannot be traced or identified.*"

I can see Mrs T does have the third party's registration, and our investigator has referred Mrs T to a company – who I'll refer to as company M - who'll be able to provide her with details of the third party's insurance information. I can see Mrs T has already made enquiries with company M and they've written to her to explain the next steps. It's not clear from the information what steps company A have taken or whether they're able to take any progressive steps or take over these enquiries given that Mrs T does have the third party's registration. But I think Mrs T should refer the matter to company A to see if they're able to assist. If company A aren't able to assist given the limited third-party information available, then if Mrs T is able to get the further information she has asked company M for, she will need to refer this to company A.

Letter cancelling the policy

I can see Adrian Flux write to Mrs T to say they're authorised by the insurer to act as their agents for the purposes of cancelling insurance cover. They say they're writing to give notice that cover will be cancelled in seven days. Adrian Flux explain they needed to see a copy of Mrs T's up to date driving licence as they'd received information to say it had expired. They say Mrs T contacted them asking for her policy to not be cancelled as she was in the process of obtaining this from the DVLA. Adrian Flux say they did then receive a copy of Mrs T's updated driving licence, so the policy remained in force.

I've looked at the policy booklet and this does set out a requirement for Mrs T to notify the insurer, via Adrian Flux, about any changes which affect cover. The policy booklet goes further to say if any information provided isn't complete, then the insurer, via Adrian Flux, may cancel the policy. I acknowledge it was upsetting for Mrs T to receive the letter from Adrian Flux, but I think any potential issue around a driving licence expiring would reasonably affect cover. So I think Adrian Flux acted in line with the terms and conditions of the policy in asking for information that Mrs T's licence had been renewed – and then sending a cancellation letter when the information requested hadn't yet been received. I can see however this was resolved without any further issue.

My final decision

For the reasons I have given, it is my final decision that the complaint is not upheld.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs T to accept or reject my decision before 22 January 2024.

Paviter Dhaddy
Ombudsman