

The complaint

Mr S complains about how Right Choice Insurance Brokers Ltd (“Right Choice”) dealt with his van insurance policy being cancelled.

What happened

Mr S had a van insurance policy arranged through Right Choice, which is an insurance broker. He took the policy out in August 2021.

When he applied for the cover, Mr S was asked to input details of previous claims he’d had. Right Choice said Mr S told it he had three claims; two ‘fault’ and one ‘non-fault’.

His van was stolen in June 2022 and Mr S made a claim from the insurance company. It investigated his history and found that he’d actually had four previous claims. It repudiated his claim and voided his policy as it wasn’t able to cover anyone with four previous claims.

Mr S said he told Right Choice about the four claims. Right Choice provided evidence that he’d only disclosed three claims to it. It waived its cancellation fees and offered him a refund.

Mr S remained unhappy and brought his complaint to this service. He asks for compensation. Our investigator looked into his complaint and thought it wouldn’t be upheld.

She said Mr S had confirmed he’d forgotten about the fourth claim when he’d applied for cover. Right Choice’s claims handler had made an error when discussing his claim which led Mr S to think it already knew about the fourth claim.

Mr S didn’t agree with the view and asked that his complaint was reviewed by an ombudsman, so it has been passed to me to make a final 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’m not upholding Mr S’s complaint and I’ll explain why as I appreciate this will be a considerable disappointment to him.

From the file I’ve been provided I can see that when Mr S’s claim was turned down by the insurance company, he rang Right Choice. In that call he was firstly told that it did know about his fourth claim because it would routinely check databases when policies were set up.

The call handler then checked with their supervisor who clarified that when policies were set up, Right Choice wouldn’t check the claims history. What would normally happen is that their claims history would be checked at the time a claim was made, which is what had happened to Mr S.

When the insurance company checked databases it found that Mr S had a fourth claim.

What this meant is that it wouldn't have offered him cover.

Mr S said he wasn't given a copy of his policy details so he wasn't able to check them.

He says Right Choice had his full claims history. And he also says the details it had weren't correct – he says he actually had three 'non-fault' and one 'fault' claims when he applied for cover.

Right Choice was able to show then it was impossible for it to have added a fourth claim to Mr S's application as it would have voided the cover.

I think it's fair that I say that Right Choice didn't have details of the four claims. I say this because in his call to it, Mr S says he forgot to tell it. I can see he was then told by Right Choice that it did have details of the fourth claim, but I can see this was a mistake and that it clarified this with him in the same call.

I'm concerned that Mr S didn't have a copy of his policy documents and has said he wasn't able to get a copy from Right Choice, but I think he had about ten months on cover to be able to check this. I can see Right Choice says it sent him his policy certificate when he asked it to, after his policy had begun.

I've not seen any evidence to say that Right Choice knew about Mr S's fourth claim. I think it's reasonably shown that if it had details of all the claims, it wouldn't have been able to place Mr S's business with the insurance company.

Mr S has said in later correspondence with this service that he thinks the data on his application has been changed but I've not seen any evidence of this. I understand Mr S is intending to approach Right Choice with a Subject Access Request to examine how his data has been used, but I don't think that affects my decision as I don't think he reasonably told Right Choice about the fourth claim when he applied for cover.

I think Right Choice's actions in waiving its cancellation fee and offering a refund are fair and reasonable and I'm not going to ask it to do more.

My final decision

It's my final decision that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr S to accept or reject my decision before 7 December 2023.

Richard Sowden
Ombudsman