

The complaint

Mr G and his friend Mr W complain that Well Dunn Limited mishandled a commercial vehicle policy.

What happened

The complaint concerns a van that had first been registered in the year 2000.

Mr G acquired the van in about 2018.

On 3 August 2020, Mr G took out a courier policy for the van through a broker who I will refer to as “Well Dunn” (although the broker merged with Well Dunn in 2022).

Well Dunn set up the policy through an intermediary or secondary broker (who I will refer to as “the intermediary”). An insurer was ultimately responsible for the policy and any cancellation.

The policy covered “any driver” not aged under 30 years. That included Mr G and Mr W. Mr G paid a deposit and agreed to pay the balance by instalments.

From 8 September 2020, the intermediary or the insurer cancelled the policy.

On 28 September 2020, police detained Mr W on suspicion of driving the vehicle with no insurance.

Mr G complained to Well Dunn that it hadn’t contacted him about the cancellation. Neither Mr G nor Well Dunn has said that Well Dunn provided a final response to that complaint in 2020.

In late April 2022, Mr G first contacted us.

In January 2023, Mr G and Mr W complained, through us, to Well Dunn about what had happened in 2020.

By a final response dated 5 June 2023, Well Dunn turned down the complaint. It said that it had sent a letter dated 24 August 2020 saying that the policy would be cancelled on 7 September 2020, because Mr G hadn’t provided the required V5 registration document. Well Dunn said that on 8 September 2020, it sent a letter by email to confirm cancellation.

Mr G and Mr W asked us to investigate.

our investigator’s opinion

Our investigator recommended that the complaint should be upheld in part. He thought that Well Dunn had used just one method of communication (letter). And because this correspondence wasn’t received by Mr G this had lasting consequences. The investigator recommended that Well Dunn should:

1. remove any record of cancellation from internal and external databases; and
2. refund the extra premium the customer has had to pay to their new insurer. The fairest way to work out what to tell the insurer to pay is to compare the premium the consumer was paying under the cancelled policy and the premium they paid for their new policy and refund the difference, assuming everything else remained the same; and
3. pay Mr G £300.00 compensation for the distress and inconvenience caused.

my provisional decision

After considering all the evidence, I issued a provisional decision on this complaint to Mr G and Mr W and to Well Dunn on 27 February 2024. I summarise my findings:

Mr G was saying that the police not only seized his van but also destroyed it. I didn't accept that police destroyed the van – otherwise it wouldn't have passed an MOT test in April 2021.

That mistake by Mr G – and the passage of time – made me doubt his recollection of events. That includes his recollection that he didn't receive any of the requests or communications before the police incident.

As Well Dunn was a broker, I didn't consider that it was responsible for the intermediary's notice of cancellation, which must've been on behalf of the insurer.

I accepted the managing director's statement that Well Dunn had asked Mr G for documents by email on 25 August 2020.

As Well Dunn had communicated with Mr G by telephone, letter and email, I wasn't minded to hold Well Dunn responsible for the consequences of the cancellation.

Subject to any further information either from Mr G or Mr W or from Well Dunn, my provisional decision was that I didn't uphold this complaint. I didn't intend to direct Well Dunn to do any more in response to this complaint.

Well Dunn agreed with the provisional decision.

Mr G disagreed with the provisional decision. He says, in summary, that:

- Well Dunn fraudulently cancelled his insurance due to the accident.
- Mr W insisted to police that he was insured. He wasn't willing to let them seize the van. He was arrested and thrown in a cell.
- Mr W later got six penalty points for driving without insurance and two points for driving with an expired licence.
- After police seized the van, he found it impossible to get "any driver" cover so he got cover in his name only. Mr W drove the van illegally. Police stopped him and seized the van again. The pound scrapped the van. That was due to the actions of Well Dunn and the intermediary who conspired together to cancel the policy, concocted a story about asking for the V5 and bolstered their case with forged documents.

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.

Mr G has shown us evidence that for the year from mid-June 2019, he insured the van without any involvement from Well Dunn.

According to its MOT history, the van passed a test in July 2019 with a recorded mileage of about 115,000.

The policy from 2019 expired in June 2020, when Mr G received written confirmation that he had two years' NCB.

Mr G has said that the van had an engine repair in the summer of 2020. The MOT certificate didn't expire that summer, because, I think, of a government measure in response to the pandemic.

As we know, Mr G insured the van through Well Dunn on 3 August 2020. Mr G has said that he was using a friend's email address.

I've seen an email from the intermediary to Well Dunn, asking it to send certain documents, including the V5 vehicle registration document, otherwise it would cancel the policy.

I've also seen a new business letter dated 3 August 2020 from the intermediary correctly addressed to Mr G, but that didn't ask him for documents.

I've also seen a report showing the date and time that Well Dunn generated its welcome letter of 3 August 2020. So I find that it was different to the intermediary's welcome letter.

I've also seen a letter dated 24 August 2020 from the intermediary correctly addressed to Mr G, saying that the intermediary was cancelling the policy from 7 September 2020 due to not meeting the scheme criteria and for non-receipt of requested documentation.

Mr G has said that on 6 or 7 September 2020, Mr W had an incident involving the van, a lorry and some minor damage to a wing mirror. Mr G has said he didn't claim on the policy. I haven't seen any evidence that the lorry owner made a claim. So I don't consider that this incident had any bearing on the cancellation.

I've also seen a letter dated 8 September 2020 from Well Dunn correctly addressed to Mr G, confirming cancellation. Well Dunn has sent us a report showing the date and time that it generated that letter. Well Dunn has also sent us its spreadsheet showing the sending of an email to Mr G's email address that morning.

I've also seen a letter dated 8 September 2020 from the intermediary saying that Mr G had zero years' NCB.

Mr G sent us the police record of custody of Mr W on 28 September 2020. From that, I've noted that police charged Mr W not only with driving with no insurance but also with driving outside the terms of a driving licence.

The MOT certificate for the van expired in late January 2021.

In April 2021, the vehicle passed an MOT test with a recorded mileage of about 134,000.

Mr G has sent us copies of emails he sent to Well Dunn in September 2021 asking for logs of its calls and emails. He also sent us a reply from Well Dunn in October 2021

acknowledging his complaint and saying that he hadn't accrued NCB – but not responding to his request for logs of calls and emails.

Mr G has quite recently forwarded to us an email sent to him later in October 2021 by the managing director of the broker before it merged into Well Dunn. That email said that the broker had asked Mr G for documents during the initial telephone call and in the new business letter. It also said that the broker had emailed Mr G on 25 August 2020 asking for his V5.

The managing director wrote his email a year or so after the events in question. And Mr G hasn't shown us that he challenged that email promptly.

In late January 2023, Mr G wrote a letter to us including the following:

“My van was seized and destroyed by the police because of the fraudulent actions of the insurance company”

So Mr G was saying that the police not only seized his van but also destroyed it. I don't accept that police destroyed the van – otherwise it wouldn't have passed an MOT test in April 2021.

That mistake by Mr G – and the passage of time - makes me doubt his recollection of events. That includes his recollection that he didn't receive any of the requests or communications before the police incident.

As Well Dunn was a broker, I consider that its role was to receive requests from the insurer or the intermediary and to pass them on to Mr G.

I've seen that the intermediary sent Well Dunn a request for documents. And I accept the managing director's statement that Well Dunn had asked Mr G for documents by telephone and in its welcome letter on 3 August 2020.

As Well Dunn was a broker, I don't consider that it was responsible for the intermediary's notice of cancellation, which must've been on behalf of the insurer.

I accept the managing director's statement that Well Dunn had asked Mr G for documents by email on 25 August 2020.

From the spreadsheet, I'm satisfied that Well Dunn emailed Mr G on 8 September to confirm the cancellation. The intermediary wrote that Mr G had zero NCB. But that wasn't because of a claim. So I consider that it was because the intermediary hadn't seen the written confirmation from the previous insurer.

As Well Dunn had communicated with Mr G by telephone, letter and email, I don't hold Well Dunn responsible for the consequences of the cancellation.

The consequences of the cancellation included Mr G's difficulty or inability to get a replacement policy. That would've been the case even if he could've found a provider who would've accepted the evidence of NCB from June 2020 and the intermediary's confirmation that there hadn't been any claim in the short period of the policy up to its cancellation.

The consequences of the cancellation also included the police incident in late September 2020. In any event, the custody record shows that the police detained and held Mr W for reasons additional to the lack of insurance.

I don't consider it relevant whether the managing director was correct that Mr G had, by an email in October 2020, thanked Well Dunn for its service.

Response to the provisional decision

Mr G believes that the broker and the intermediary conspired to cancel the policy s as to avoid the claim arising from an incident in early September 2020. However, I'm satisfied that the intermediary initiated the cancellation by the notice in late August 2020. So I don't accept that the accident was linked to the cancellation.

Mr G has alleged forgery of documents. However, I haven't seen enough evidence to make such a finding.

Mr G says Mr W wasn't willing to let police seize the van and he ended up in a cell. I accept that. Mr G has said that Mr W's licence had expired. I accept that.

Mr G has said that he insured the van in his name and got it back from the police. I accept that. However, that's not what Mr G said when he brought his complaint to us. He said police had seized and destroyed his van.

Mr G now says Mr G again drove he van and police again seized it – and this time destroyed it. He considers that this was due to the actions of Well Dunn.

However, he hasn't said when police destroyed the van. And I find it likely that it was after it passed the MOT test in April 2021, so at least six months after the first police incident. In any event, I haven't found Well Dunn responsible for the consequences of the cancellation. And I don't hold Well Dunn responsible for the destruction of the van and the consequences of that for Mr G and his business.

Conclusion

For the reasons I've explained, I don't find it fair and reasonable to direct Well Dunn to pay compensation to Mr G or Mr W.

My final decision

For the reasons I've explained, my final decision is that I don't uphold this complaint. I don't direct Well Dunn Limited to do any more in response to this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr G and Mr W to accept or reject my decision before 3 April 2024.

Christopher Gilbert

Ombudsman