

## **The complaint**

Mr A has complained that the broker, Be Wiser Insurance Services Ltd provided a poor service when he bought a car insurance policy.

## **What happened**

Mr A bought a car insurance policy through the broker Be Wiser on 11 March 2019. On 16 March 2019 he told Be Wiser his address had changed. Be Wiser informed the insurer on the next working day. However, the insurer discovered a claim which hadn't been disclosed for one of the named drivers. So it asked for proof of the claim.

Mr A told Be Wiser the named driver's claim had been settled as a 'non fault' claim. Be Wiser asked Mr A to provide proof for the insurer. Be Wiser said that the insurer wouldn't process the address change until this was received – as it said the claim may affect whether the policy could continue.

On 18 March 2019 Be Wiser told Mr A the insurer's premium would go up by over £3,000 for the change of address. It said it could look for alternative cover once it received proof of the named driver's claim being a 'non fault' claim.

Mr A's policy was a telematics policy. A requirement under the policy was to have a telematics box fitted to his car. On 20 March 2019 the insurer issued a seven day cancellation letter to Mr A as the insurer said Mr A missed the arranged appointment and Mr A hadn't answered the engineer's attempts to contact him. If the box wasn't fitted by 27 March 2019, Mr A's policy would be cancelled.

In the meantime, Mr A provided details of the named driver's claim. But this showed the claim was still open. So it couldn't be recorded as a closed non fault claim. Mr A asked for the named driver to be removed. On 23 March 2019 the insurer told Be Wiser that the change of address along with removing the named driver meant it would not be able to provide insurance for Mr A.

A second appointment had been made for 26 March 2019 for the box to be fitted to Mr A's car. But because the insurer now unable to provide cover due to the other changes, they cancelled the appointment without telling Mr A. Be Wiser said the reason for this was to prevent further charges as the fee for fitting the box was non refundable.

Be Wiser said it would need to issue a further seven day cancellation notice to Mr A as the reason for cancellation wasn't due to the box not being fitted.

This was through no fault of Mr A's. The correct reason for cancellation was due to the change of address. So Be Wiser said a further seven days notice for cancellation would be necessary in line with the policy terms and to be fair to Mr A.

However, Mr A told Be Wiser he'd obtained alternative insurance elsewhere as he believed his policy had already been cancelled. Mr A's policy was cancelled on 28 March 2019.

In April 2019 Be Wiser agreed to waive its cancellation fees and it reduced its arrangement fee by £20 for the incorrect information and poor service provided.

Mr A remained unhappy and asked us to look at his complaint. He said he was working on the day the second appointment had been arranged and had been checking his phone all day waiting for the engineer to arrive and fit the black box. He said Be Wiser told him his policy could continue, but then said it couldn't. He said Be Wiser didn't call him back when promised.

Our investigator thought Be Wiser should pay Mr A compensation of £100 for the distress and inconvenience it caused – in addition to waiving its cancellation fees. He felt any fees Be Wiser had charged for cancellation outside of the cooling off period should have been refunded in any event and didn't compensate Mr A.

Mr A didn't reply. Be Wiser didn't agree. It said it was the insurer's decision not to process the address change until it had proof of the named driver's claim. It said it waived £255.73 of its charges. So it doesn't believe it should pay any more.

I issued a provisional decision on 17 June 2020. I thought Be Wiser had done enough to put things right, so I didn't intend to uphold Mr A's complaint.

Mr A didn't reply. Be Wiser acknowledged receipt of my provisional decision.

So the case has been passed back to me for 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.

I can understand that Mr A was upset that his policy would be cancelled due to not having the black box fitted – when the insurer cancelled the appointment. I've considered whether Be Wiser did enough to resolve Mr A's complaint by looking at what went wrong, and what would have happened if Mr A's policy had been correctly cancelled. From what I've seen, I think Be Wiser has acted reasonably.

Because Mr A changed his address shortly after setting up the policy – and didn't disclose the correct claims history for one of the named drivers, this inevitably led to some back and forth between Be Wiser, Mr A and the insurer. The period of time dealing with the change of address and request for details of the named driver's claim took 12 days.

When Be Wiser told Mr A the difference in premium due to the change of address on 18 March 2019, it offered to look for alternative insurance – but it needed proof of the correct claims information for the named driver.

There were times when Be Wiser called Mr A to discuss his policy and either couldn't speak to him – or he asked it to call him back later, which Be Wiser did. As the broker, I think it promptly passed information between the insurer and Mr A.

I don't think the cancellation of Mr A's policy was delayed because of anything Be Wiser did or failed to do. Mr A provided proof of the named driver's claim on 21 March 2019.

This information meant the insurer wouldn't provide cover for Mr A as the premium for this change - along with his change of address - was beyond the underwriter's appetite for risk. The proof was different to the information Mr A gave the day before. Mr A had said the claim had been settled as a non fault claim.

So the earliest Mr A's policy would have been cancelled in any event would have been 28 March 2019 – assuming the insurer gave seven days notice to cancel on the same day as the proof was provided. So I don't think Mr A's policy would have cancelled any sooner.

When Mr A's policy was cancelled on 28 March 2019, he paid for the days he was insured. Be Wiser reduced its non refundable arrangement fee of £62.38 by £20. And it waived its cancellation fee of £100 and a returned commission fee of £186.75.

It's fair that Mr A should pay the insurer for the days he was insured. And I don't think it's unreasonable for a broker to charge an arrangement fee as it arranged the policy. Be Wiser's terms of business set out its fees which Mr A would have been aware of when he bought the policy. As I don't think Be Wiser caused undue delay in this case, I think its decision to waive its cancellation fees which were correctly due was reasonable to resolve Mr A's complaint.

So from what I've seen, I don't think Be Wiser needs to do any more.

### **My final decision**

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

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr A to accept or reject my decision before 19 August 2020.

Geraldine Newbold  
**Ombudsman**