

The complaint

Mr S complains that One Sure Insurance Limited incorrectly recorded his claims history and no claims discount which resulted in two insurers cancelling his policies.

What happened

Mr S had a policy through another trading name of One Sure. During that policy year he had a claim. When his policy renewed through One Sure the claim wasn't recorded and it also incorrectly noted him down as having one year's no claims discount (NCD).

When the insurer became aware of these issues it asked Mr S to pay an additional premium, which he agreed to do. There was then a shortfall in what was owed, which Mr S wasn't told about, and because this wasn't paid his policy was cancelled. Mr S found out about this after the cancellation and while he was at work. He therefore had to stop working and return home to sort out the error.

One Sure set up another policy for Mr S but made the same mistake about his claim and NCD again. The new insurer found out Mr S didn't have one year's NCB and his policy was cancelled. Mr S therefore had to take out another policy. Mr S wasn't happy about this and complained to One Sure.

One Sure reviewed the complaint and said it had arranged to refund the credit from his cancelled policy to him. It's also said it hasn't charged him any fees or charges and so he's only paid for his time on risk with the insurer. Mr S didn't think this was good enough and brought his complaint here, he said he's paid a lot for insurance and blames this on One Sure's errors.

Our Investigator reviewed the complaint and recommended it be upheld. He found that One Sure had made error which had meant Mr S had to set up multiple policies and have several calls with One Sure to try and sort it out. He therefore recommended One Sure pays Mr S £450 compensation for the distress and inconvenience and write him a letter to say the two cancellations were One Sure's fault.

One Sure agreed with our investigator's findings and said that it would provide Mr S with a letter to say the cancellations were its fault. However, it had checked, and the policies hadn't been recorded as cancelled by the insurer and therefore he hadn't paid a higher premium because of them. Mr S didn't agree, he said he had been told he'd paid higher because of the cancellations. He also said because of One Sure's errors it meant he wouldn't build up his NCD as quickly, so he thought One Sure should do more to compensate him for this.

As Mr S didn't agree the complaint has come to me to decide.

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.

It's not in dispute that One Sure made errors with Mr S's policies, which resulted in two having to be cancelled and him have to keep setting up new policies. As One Sure accepted the errors I'm not going to comment on them further here. However, I have considered the impact of One Sure's errors to see if it's done enough to put things right.

I can understand the frustration Mr S must have had at the same error being made more than once. And also, the impact this had when he found out his insurance had cancelled after the cancellation date. Because of this Mr S said he had to stop working part way through the day and return home to correct his insurance.

Mr S has also explained that he's paid a lot for insurance and that he's paid too much because of One Sure's errors. One Sure has agreed to not charge any fees, provide Mr S with a letter to say the two cancellations were the fault of One Sure and also agreed to pay £450 for the distress and inconvenience caused. I'm satisfied this is fair and reasonable in the circumstances.

I say this because while Mr S has paid more than he thinks he should have, the amount he's paid is what's charged by the insurer. One Sure has agreed to provide a letter showing the errors are its fault, it's also not charged any fees for those policies. Therefore, if Mr S feels he's paid too much for his premium, he's able to provide the letter to the insurer and ask it to ensure his policy has been rated correctly. So, I'm not going to tell One Sure to do anything else in relation to the premiums he's paid for the policies.

I've also considered the additional unnecessary distress and inconvenience One Sure has caused Mr S. I'm satisfied £450 is a fair and reasonable amount to compensate for this. I say that because he's had to set up three additional policies he shouldn't have, and he's also had to return from work one day to sort out a cancellation. And when taking into account this distress and inconvenience, I'm satisfied £450 is a fair and reasonable amount.

Mr S has also raised about not being able to build up his NCD as quickly as he could have. I've considered Mr S's point about this but I'm not going to tell it to do anything else. This is because when deciding on the amount of compensation I've taken into account that One Sure will be providing a letter to show the cancellations were their fault. Mr S could therefore provide this to a future insurer to see if they'd take it into account when considering a NCD. So I'm not going to tell One Sure to pay more than the £450 compensation for the distress and inconvenience caused.

My final decision

For the reasons explained above, my final decision is that I uphold this complaint. I require One Sure Insurance Limited to provide Mr S with a letter explaining the two cancellations were due to its error and pay him £450 compensation for the distress and inconvenience caused.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr S to accept or reject my decision before 11 March 2022.

Alex Newman
Ombudsman