

The complaint

Mr A complains that One Call Insurance Services Limited renewed his commercial motor insurance policy without his consent. He wants a refund of the premiums it took from his father, Mr D's, credit card. Mr D is a named driver on Mr A's, policy and is representing him in this matter.

What happened

Mr A took out a policy which was paid for by Mr D. Mr D found that One Call had taken premium payments from his card details without his knowledge. Mr D said he hadn't given his consent for automatic renewal as he shops around each year. And so he wanted a refund. But One Call said Mr A or Mr D had agreed to the continuous payment authority.

Our investigator didn't recommend that the complaint should be upheld. He thought Mr A had consented to automatic renewal and provided his continuous payment authority when he took out the policy. He thought One Call had sent Mr A renewal notices, but he hadn't cancelled the renewal. And so he didn't think One Call had done anything wrong or needed to refund the premiums.

Mr D replied that they had paid for cover elsewhere. He said they hadn't received renewal letters and hadn't agreed to continuous payment.

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've tried to understand Mr A's insurance history for his van. I can see from One Call's records that he first took out cover with it through an online comparison site in November 2016. The policy renewed successfully in 2017. The renewal wasn't "authorised" in 2018, but a renewal confirmation letter was sent to Mr A. The policy renewed in 2019 and 2020 with a November anniversary. From what I can understand, Mr D has complained about these last two autorenewals.

Our approach in cases like this is to consider whether the broker's acted in line with its Terms of Business and fairly and reasonably. Mr A first took out his policy online and Mr D said the payment was made by phone using his credit card. Mr D said that in the call made to make his payment, he would have asked for the card details to be deleted. But One Call has provided evidence that the payment was made online and no calls were received from Mr A or Mr D.

In the online application Mr A agreed to the continuous payment authority:

"Continuous Payment Authority is a recurring payment process where you allow One Call Insurance to take money from your debit, credit card or PayPal account whenever we are owed money. Payments can vary in frequency and amount depending on what is owed at the time."

In allowing the Continuous Payment Authority, you let us charge any sums due to your card and to take payments as and when they fall due. You may cancel the Continuous Payment Authority at any time by telling our Compliance Team...”

I haven't seen any evidence that Mr A contacted One Call to cancel the authority. And Mr A would have agreed to the automatic renewal of the policy in keeping with One Call's Terms of Business when he took out the policy.

Mr D said Mr A hadn't received the renewal correspondence. But One Call has provided us with evidence of the emails and letters it sent to Mr A and screenshots showing that they were sent for the 2018, 2019 and 2020 renewals. These were sent to the correct addresses. So I'm satisfied that the renewal notices were sent to Mr A.

So I think One Call renewed the policy and collected payments in keeping with its Terms of Business. I can't say that it did anything wrong as it didn't know that the policy was no longer required.

One Call didn't uphold Mr A's complaint about the renewals as it said it had acted within its Terms of Business. But it said it could ask the insurer to backdate any premiums if Mr A was able to provide proof of alternative cover elsewhere.

Mr D provided a letter from another insurer stating that he was insured for the same van registration for the policy year from July 2020 to July 2021. But One Call said this wasn't showing on the Motor Insurer's Database (MID), although the van was double insured from July 2021 to the present.

This may be because there was an error in the registration number recorded for the van by the other insurer. Mr A would need to explain this to One Call. Mr A said that the van was off the road for some time after November 2018 whilst he saved up to have it repaired. This may explain the change in the policy's anniversary date. One Call asked for a copy of the Certificate of Insurance to validate that the van was covered elsewhere, But Mr D hasn't yet provided this.

I think it's for Mr A to provide One Call with copies of the van's Certificates of Insurance for the years that he was insured elsewhere. This would allow it to ask the insurer to backdate the premiums, as it's offered to do. From what I can see, the van is double insured at the present. So Mr A should contact One Call to cancel his cover if it isn't needed.

My final decision

For the reasons 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 27 January 2022.

Phillip Berechree
Ombudsman