

The complaint

Mr R is unhappy with the way One Call Insurance Services sold his accident policy.

What happened

Mr R sourced a home insurance policy online in March 2020. He added accident insurance to that policy and this complaint is focussed on that particular element. Mr R said that the policy was mis-sold to him because One Call didn't tell him it'd pass his bank details to the policy administrator so it could begin charging him for the policy. Mr R said the policy was sold on the basis that he'd receive three months' free accident cover. He said he was aware that there was a cost for the policy thereafter, however, not that he'd automatically be charged once the initial incentive period had ended. Mr R was charged from June – December 2020 and so seven payments were taken from his bank account before he realised what had happened.

One Call said that its role within the sales process was as *an introducer* and that therefore this complaint doesn't fall within its realm of responsibilities. It said that the administrator of the policy should've told Mr R about the cost moving forward and confirmed that a direct debit would be in place to take future payments. One Call said all necessary information was in the policy terms and highlighted that it was Mr R's responsibility to read them.

Our investigator wasn't persuaded by One Call's position on this complaint. She said that she didn't consider One Call's role within the sales process to be just that of an *introducer*. She remarked that One Call appeared to have a more involved role which saw it source and provide Mr R's bank details to the administrator, as well as take other important personal information. She also said the information it provided at the point of sale was unclear and difficult to find and follow. Our investigator upheld Mr R's complaint and said that One Call should return the premiums he'd paid.

One Call disagreed. It said the information, specifically, the policy terms and the insurance produce information document (IPID) was readily available at the time of sale and that everything Mr R needed to know about the on-going administration of the policy, once the incentive had expired, was contained within it. And so, it's for 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.

I've decided to uphold this complaint. My reasons for doing so are similar to those already explained by our investigator. I'm not persuaded by One Call's testimony that it's simply an introducer to insurers. Its role appears to emulate that of a broker and so I'm satisfied the Insurance Code of Business Sourcebook applies in these particular circumstances (ICOBS).

The reasons I've highlighted this is because ICOBS says that an insurance broker, if involved in the sale of a policy, provides appropriate information about a policy in good time and in a comprehensible form so that the customer can make an informed decision about

the arrangements proposed. I find that this was a non-advised online sale so One Call should've provided appropriate information and drew attention to the key limitations of the policy. I'm not persuaded One Call has fulfilled its obligations under ICOBS here. I'll explain why.

I've reviewed the information that was available to Mr R at the time the policy was sold. The main sales screen, where Mr R had the choice to accept the offer of three months' free accidental cover doesn't mention anything about what happens after the incentive period is over. It mentioned the cost of the policy thereafter, which isn't in dispute, but it doesn't say anything about the amount automatically being taken from Mr R's bank account. There's also no mention that One Call would pass his bank details to the third party, or that there would be any continuation of cover once the incentive period had concluded. And so, I can understand why Mr R said this had come as a surprise, because it wasn't made clear from the information I've seen.

One Call said the insurance administrator would've written to Mr R to explain all this, but Mr R said that there was no communication between them. In any event, I don't think it's relevant to this complaint as I'm investigating One Call's role here within the sales process. And so, whether the third party sent this information shouldn't be relied upon by One Call as it doesn't negate One Call's obligations under ICOBS to give clear, and appropriate information to its prospective customers, prior to selling or introducing products to its consumers.

One Call said that Mr R should've read the policy terms which explains everything he needed to know about this situation. I understand its argument here. But it's unreasonable to expect that Mr R have read the full policy terms and conditions prior to accepting the offer. I say that because there was no obvious link to the terms. I'd have expected to see perhaps an asterisk or an exclamation mark – something to make them stand out so that a consumer would notice. But put simply, I wouldn't have expected Mr R have to read the policy terms to find this information out, it should've been made clearer from the outset.

I've also considered One Call's argument about the IPID which explained it's a monthly product and will need to be paid for by monthly direct debit on page two. But my response to this is the same as before with the policy terms, there's nothing that draws attention to that part of the screen and therefore it's not given the due prominence it deserves.

It's for these reasons I'm upholding Mr R's complaint, because I don't think this necessary and relevant information about the on-going cost of the policy and the method by which it'd be paid was made clear enough. I think it was One Call's responsibility to ensure that was the case and so it must now return the seven payments made by Mr R.

My final decision

One Call Insurance Services Limited must now return the seven months' worth of payments made by Mr R which was £3.99 per month. It must also pay 8% simple interest on that amount until the date it's settled.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr R to accept or reject my decision before 23 June 2022.

Scott Slade
Ombudsman