

The complaint

Mr M complains U K Insurance Limited trading as Direct Line Car Insurance (UKI) unfairly declined his request under a mileage moneyback scheme.

What happened

Mr M submitted a request under the mileage moneyback scheme attached to his motor insurance policy. The scheme was designed to give policyholders some money back if they drove less than expected within a policy year. The scheme had its own terms and conditions.

UKI declined Mr M's request under the scheme as they say he made the request too late. Mr M wasn't happy with this and complained. He didn't think the scheme terms were clearly highlighted to him in respect of the time limit he had to submit a request.

UKI responded maintaining their position but offered Mr M £15 compensation for the call waiting times. Mr M didn't think he'd been treated fairly, so he approached our service.

An investigator here considered things but felt UKI had treated Mr M fairly. Mr M didn't agree and asked for an ombudsman to decide, and the case was passed to me.

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.

The scheme was set up outside Mr M's contract of insurance and had its own terms and conditions. I've also followed the information Mr M provided which he thinks demonstrates the terms regarding when to submit a request were unclear and not clearly highlighted. And, whilst I'm sorry to disappoint Mr M, I don't think these were unclear.

The document Mr M provided clearly highlights how the scheme works, a link to find the terms and conditions applicable to it, and states that once the renewal invitation is received (30 days before the policy end date) a policyholder can then submit their mileage reading. And I'm satisfied it makes clear a policyholder has up to seven days after the policy year comes to an end to submit the request.

I appreciate why Mr M thinks this should have been made clearer to him, but I find this is clear and haven't been satisfied UKI treated him unfairly. Mr M was a few weeks late in submitting his request, and even if he had submitted the request on day eight, as an example, I'd still expect UKI to treat him in the same way they have here. This scheme didn't form part of Mr M's contract of insurance with UKI, so I wouldn't expect them to have highlighted these terms differently in the way Mr M thinks they should have.

Mr M says he changed positions at work on or around the time his policy year ended. It's reasonable to say Mr M would have been occupied with this, but I don't think this is sufficient ground to require UKI to act outside the scheme terms and accept the request.

I've also looked at the way things were handled and have seen UKI paid Mr M £15 for call

time lengths which I find to be fair, reasonable, and proportionate to the complaint.

I accept my decision will come as a disappointment to Mr M. But my decision ends what we – in attempting to resolve his dispute with UKI – can do for him.

My final decision

For the reasons I've given above, I don't uphold it.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr M to accept or reject my decision before 31 May 2022.

Liam Hickey
Ombudsman