

## **The complaint**

On behalf of firm O, its director Mr O says Brightside Insurance Services Limited renewed a van insurance policy in error and provided poor service overall.

## **What happened**

In 2022 Mr O decided not to allow the automatic renewal of the insurance cover for firm O's van through Brightside. Mr O says Mrs O used the online portal to change the auto-renewal option on 16 June 2022. But they were advised on 20 June 2022 (through a finance firm) that a policy had been set up. Mr O tried to speak to one of Brightside's advisors. He says he left messages to be called back, but got no response, so he emailed Brightside that day to say firm O didn't require its services, or those of the finance company.

After further correspondence, Brightside cancelled the policy (which had started on 1 July 2022) on 14 July 2022. It said £5.93 was due for cover. Mr O didn't agree, as he thought firm O's policy shouldn't have been renewed. But he paid the sum asked for, to bring the matter to a close. In August 2022 Brightside said £4.06 - plus a cancellation charge of £25 - was due. And on 17 December 2022 it told Mr O that if the outstanding sum of £36.71 wasn't paid that day, it would instruct a debt recovery agency.

Later, although it didn't agree that it had done anything wrong, Brightside said it would waive the cancellation charge as a gesture of goodwill. And the insurer removed the charge for cover after Mr O showed it that other insurance was in place from 1 July 2022 onwards. Mr O complained to us regardless, as Brightside hadn't recognised that he'd had to spend a lot of time dealing with it – thereby distracting him from firm O's business - when that shouldn't have been necessary. He told us he'd become stressed as a result of Brightside's poor communication. And after the policy was cancelled, Brightside's ongoing incompetence meant using up more of his time to try to resolve matters.

One of our investigators reviewed Mr O's complaint. She accepted that Brightside had contacted Mr O about the renewal, but she said he'd tried to stop it and that Brightside's service was poor. She noted the lack of response to the email Mr O sent on 20 June 2022 until 14 July 2022, which she thought had caused problems later on. So she thought it would be reasonable for Brightside to pay £100 compensation. As Brightside didn't agree, the complaint was passed to me for review.

## **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.

Brightside has shown that it issued correspondence to Mr O about firm O's renewal and that it sent him a text message on 6 June 2022. The renewal invitation said if auto-renewal wasn't required, Mr O should call or email Brightside - *or* change the auto-renewal preference on the online portal - *before 27 June 2022*. Mr O says Mrs O did the latter on 16 June 2022, when they found a cheaper quote. There seems to be no evidence on this point,

although I think it's more likely than not that Mrs O used the portal on that date to change the preference, as Brightside's auto-renewal for firm O was then not required.

There's no dispute that Mr O emailed Brightside on 20 June 2022, as soon as he heard from the finance company. Brightside says his email to it was about the finance arrangement, but in fact Mr O said in the email that firm O didn't require the finance company's services, *nor Brightside's services*. As Brightside arranged the insurance, I think it was clear from the message that Mr O didn't want to use it / its auto-renewal option for firm O's cover.

Mr O sent his email to Brightside before the deadline it had set in the renewal invitation for cancelling firm O's auto-renewal. Brightside hasn't explained why, if it wasn't sure what Mr O was asking for in his email, it didn't contact him until 14 July 2022, over three weeks later, by which time the policy had been in place for two weeks. I think had Brightside responded promptly to the email, the policy need not have started and the issues that arose later could have been avoided.

After the cancellation, Mr O got conflicting messages from Brightside about the sums it said were owed by firm O. No clear explanation was given. That led to inconvenience on his part, and time taken away from carrying out firm O's activities. It added to the inconvenience Mr O had faced earlier on and the time he'd spent trying to contact Brightside.

Brightside seems to think that because it waived the cancellation charge, and firm O faced no financial loss, Mr O has no basis on which to complain on its behalf. But Mr O had to expend time and effort to get to that position, which would have been better spent on firm O's business. I don't think he should have had to deal with Brightside at all after his email of 20 June 2022. I have no doubt that Mr O faced stress in dealing with Brightside on firm O's behalf. We can't make an award to a limited company for stress, nor can we compensate its directors for that. But we can make awards that recognise the impact of avoidable inconvenience on directors that diverts them from their role in the business.

Taking everything into account, I think it would be fair and reasonable for Brightside to pay £100 compensation to firm O, for the reasons stated above.

### **My final decision**

My final decision is that I uphold this complaint. I require Brightside Insurance Services Limited to pay firm O £100 for inconvenience. Under the rules of the Financial Ombudsman Service, I'm required to ask Mr O on behalf of firm O to accept or reject my decision before 16 March 2023.

Susan Ewins  
**Ombudsman**