

The complaint

Mrs and Mr L have complained about the information provided on the price of their motor insurance by Atlanta Insurance Intermediaries Limited trading as Swinton Insurance (Swinton) following their renewal invite being sent.

What happened

The facts of this complaint are well known to both parties, so I've not set them out in detail here. But in summary, Mrs and Mr L are unhappy with the information provided by Swinton when their car insurance renewal was received. They feel they've been treated poorly by Swinton with its customer service falling short of the level they expected and they are upset about being given misleading information.

In January 2022, Mrs and Mr L's car insurance policy was due to renew. After receiving their renewal invite, they wanted to understand more about the cost of the policy and why the price was increasing by more than £100 compared to the previous year.

Mrs and Mr L don't think Swinton treated them fairly when it answered their questions about this. It initially said the increase in price was the result of the underwriter changing its view of the risk. As a result of this information, Mrs and Mr L spoke to the underwriter directly. From this they learnt it had actually reduced the cost of the insurance it was providing.

The cost of the policy had increased because of its commission charges applied to cover the costs of Swinton's services. Mrs and Mr L wanted some further clarity on the costs they could expect to incur for Swinton's services in the future but their requests for information went unanswered. Mrs and Mr L were left upset with how they were treated and feel they were deliberately lied to and brought a complaint about the service they received.

Our investigator looked at this complaint and thought something had gone wrong. She explained why she felt it was fair to expect Swinton to recognise the impact of the service it provided to Mrs and Mr L. She said it should pay £200 for the distress and inconvenience Mrs and Mr L experienced as a result of the service it provided.

Mrs and Mr L accepted the recommended outcome.

Swinton disagreed. It didn't think it had done anything wrong and questioned how the premium increase could have an emotional impact. Our investigator clarified that her view was not making an award for the emotional impact of the premium increasing, but for the poor service and misinformation provided by Swinton when it dealt with the questions about the price increase.

Our investigator's opinion remained unchanged and as Swinton continued to disagree with the outcome, the complaint was passed to me for 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 for much the same reasons as our investigator. I know Swinton will be disappointed by this, but I'll explain why I've made this decision. In doing so, I'll focus on what I believe to be the crux of this complaint. So while I've considered everything that has been provided, I will only comment on what I believe is relevant to the outcome.

The crux of this complaint is that Mrs and Mr L believe they have been treated poorly when they questioned the price increase on their policy. They have not complained about the increase in price itself and why this happened as the commission increased from the previous years. The complaint is focused on the service they received and how this impacted them when they asked for further information.

When Mrs and Mr L first asked Swinton why the price of their insurance had increased they were told this was because of the underwriter increasing the cost. Based on this information, Mrs and Mr L complained to the underwriter and it sent a final response on the complaint in January 2022. This explained the price charged as the core insurance price had not increased, it had in fact decreased from the previous year. But the overall price had increased because Swinton added commission onto the premium price at renewal when it hadn't in the previous year.

Mrs and Mr L have not said they are unhappy with the amount of commission – what they are unhappy about is that Swinton didn't provide them clear, fair, and not misleading information about the price of their policy when they asked the question. Had this been provided, Mrs and Mr L would not have felt the need to complain to the underwriter. I think this caused inconvenience that could have arguably been avoided.

Mrs and Mr L have said they have been distressed by how Swinton handled their requests for information. They've highlighted how they feel let down and how unhappy they are at being given misleading information. I think this is understandable and I am satisfied it has failed to treat them fairly when it provided incorrect information about why their premium had increased in price and it is fair that it recognises the impact of the avoidable inconvenience experienced when they raised a complaint with their underwriter.

Putting things right

For the reasons I've explained above, Swinton should pay Mrs and Mr L £200 for the distress and inconvenienced experienced when it failed to provide them clear, fair and not misleading information about the price of their insurance policy.

My final decision

I uphold Mrs and Mr L'S complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs L and Mr L to accept or reject my decision before 4 October 2023.

Thomas Brissenden
Ombudsman