

The complaint

Mr W complains Mulsanne Insurance Company Limited (Mulsanne) unfairly charged an additional premium during the term of his motor insurance policy and that it provided a poor level of customer service.

Mulsanne are the underwriters of this policy i.e. the insurer. Part of this complaint concerns the actions of the intermediary. As Mulsanne have accepted it is accountable for the actions of the broker intermediary, in my decision, any reference to Mulsanne includes the actions of the intermediary.

What happened

Mr W took out a motor insurance policy with Mulsanne which included the use of a telematics device on his car. The policy premiums were calculated using an ongoing driving behaviour score (DBS). His policy renewed in June 2022.

Mr W said from July 2022 there was an issue with the telematics device. He received emails and text messages saying Mulsanne were not receiving information from the telematics device.

In October 2022 Mulsanne notified Mr W it would be charging an increased premium based on the information received from the telematics device regarding his driving.

Mr W said he was given conflicting information about whether the additional amount had to be paid. And was unhappy that Mulsanne miscommunicated with him, and it caused him stress and inconvenience.

As Mr W was not happy with Mulsanne, he brought the complaint to our service.

Our investigator did not uphold the complaint. They looked into the case and said they didn't see any evidence of Mulsanne acting unfairly regarding the additional premium it charged. They said Mulsanne had increased his premiums in line with the terms of his policy and had given him the appropriate notice.

As Mr W is unhappy with our investigator's view the complaint has been brought to me for a final decision to be made.

What I provisionally said

*I looked at the terms and conditions of Mr W's policy. On page five it says;
"We may adjust your premium on a monthly basis during the policy term to reflect how you are driving. This may result in either a reduction or an additional charge."
And on pages seven and eight the details of how the driving score is calculated is given in detail.*

I looked at the information about the actual telematics device. Mr W said his car battery was not working so he had new battery installed. He felt this is why his driving score was

affected. Mulsanne confirmed the calculation of Mr W's driving score was completed before he had issues with the battery on his car. It said it had based the score on actual journeys made and after a detailed examination of the data was completed it could not identify anything to suggest an issue with either the device or its installation.

As I have seen no evidence that suggests any issue with the calculation of the driving score, I think it is fair to accept the driving score given was accurate. And therefore the additional premium was calculated correctly.

I looked at the evidence of communication between Mr W and Mulsanne regarding the additional premium required. I saw Mulsanne notified him by email on 6 October 2022 that there may be a potential further premium amount due. I saw it also contacted him on 10 October 2022 requesting he got in touch as no data was being received from his telematics device.

Mr W contacted Mulsanne on 20 October 2022 to inform them about his car battery not working and that it had been changed. Mulsanne looked into this and undertook a review of the driving data. It wrote to him on the same day to confirm there was an additional premium payment due of £53.59 and this was caused by changes to his driving score. It said it would collect this from the details it stored for him. Mr W called back the following day to say he would not pay.

There were a number of further calls made between Mulsanne and Mr W in October 2022 and November 2022 in which the situation with the car battery and the additional premium due was discussed. In a call on 14 November 2022 Mulsanne's agent incorrectly told Mr W he did not have to pay anything. And they said they would call him back the next day regarding a replacement telematics box.

I saw Mulsanne emailed Mr W the next day, 15 November 2022, giving him seven days to settle the outstanding amount. This was despite the agent telling him the previous day he did not have to pay. And although the agent said he would call Mr W back he failed to do so, which resulted in Mr W having to make more calls to clarify the situation about if the £53.59 was payable or not. When Mr W did manage to make contact with the agent two days later, the agent corrected himself and said the amount was still due and should be paid.

Mr W reluctantly paid this on 22 November 2022 to avoid policy cancellation.

I do not think Mulsanne incorrectly calculated the extra premium due and this amount was charged correctly and in line with the policy terms and conditions. However I recognise Mulsanne did misinform Mr W he no longer needed to pay the amount. This meant he had to make more calls causing unnecessary frustration, stress and inconvenience in the following days.

Therefore, I intend to uphold Mr W's complaint and intend Mulsanne to pay him £30 for the stress and inconvenience caused to him after it gave incorrect information about repayment of the increased premium.

Responses to my provisional decision

Mr W did not respond.

Mulsanne did not respond.

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.

As both Mr W and Mulsanne did not make a response I maintain my provisional decision and I uphold Mr W's complaint.

My final decision

For the reasons I have given uphold this complaint.

I require Mulsanne Insurance Company Limited to pay Mr M £30 compensation for the frustration and inconvenience caused to him after it incorrectly advised him he no longer needed to pay the increased premium.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr W to accept or reject my decision before 22 September 2023.

Sally-Ann Harding
Ombudsman