

The complaint

Miss Y is unhappy with the motor car policy she has as the device which is integral to the working of the policy causes her car alarm to sound frequently. One Call Insurance Services Limited ("One Call") as broker provided the administration and communication in relation to the device. Miss Y had representation during this claim, but for ease and simplicity, I'll only refer to Miss Y.

What happened

Miss Y bought a pay by the mile insurance policy for her car as it was more cost effective than a normal policy. The policy required a device being fitted in the car to allow the mileage to be tracked.

Miss Y had a lot of problems with the compatibility of the device with her car, as it frequently seemed to trigger her car alarm to go off. This caused distress to both her, her family and neighbours.

Over a period of a few months, Miss Y raised the issue with One Call several times, but a resolution couldn't be found to resolve the issue. One Call offered to cancel the policy without charging a cancellation fee and offered a non-telematics policy. Miss Y was unhappy with this, as she was concerned she wouldn't get fairly refunded her set-up costs for the policy and the new policy offered was more expensive.

One Call investigated the issue but wasn't aware of any issues with that specific device or with compatibility with Miss Y's car. One Call thought it was more likely to be an issue with Miss Y's own car. To find out more, it suggested Miss Y had a diagnostics report run on her car at her local garage. That way One Call thought it may better help her once it had more details. One Call did pay Miss Y £50 however, for the distress and inconvenience she said she'd suffered.

Our investigator decided to uphold the complaint. He thought One Call should instruct its own engineer to check Miss Y's car to understand if there was a way in stopping the car alarm going off. He also thought Miss Y hadn't had enough support resolving the issue, so he said it should pay a further £100 in compensation. One Call and Miss Y disagreed, so the case has been referred to an ombudsman.

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.

One Call referred the issues raised by Miss Y about the device to her insurer and it fed back any communications back to Miss Y. It also tried to help her by offering a different policy which didn't rely on a telematics device.

Whilst I appreciate Miss Y thought the alternative insurance offered was expensive (compared to her pay as you go policy), I think One Call was just trying to find a sensible resolution for Miss Y. It also offered to transfer her policy without charging a cancellation fee. I think this was fair.

One Call said *"I feel it is important to point out we have not received any concerns from other customers utilising the telematics device to indicate the device could cause this fault for customers, considering this and the fact that the issue has been intermittent for the customer I find it more than likely the fault lies with vehicle itself. Since the inception of this scheme, we have issued around 8,000 of these devices and currently have 5,000 live"*.

One Call also suggested to Miss Y to have diagnostics check run on their car at a local garage. Miss Y has spoken to a local dealer who has suggested issues with the limited amount of computer memory on her car meant it was unlikely the device could work properly.

I can't say One Call has been unreasonable with these actions. It has checked if there is a known problem, and it has checked there is nothing been reported incorrectly by the device. It has suggested Miss Y get her own car checked. I wouldn't expect One Call to send out an engineer every time an issue is raised. In this case, there is no evidence there is a fault with the device. If Miss Y provided evidence, then I see no reason why One Call wouldn't consider this.

However, I think a pragmatic solution could've been to rule out an anomaly with that specific device. So, I think One Call could've tried a different device by sending Miss Y another one to try. Therefore, I intend to uphold this complaint.

I don't think Miss Y has provided direct evidence though that the device was faulty, so it would be her responsibility to prove this through diagnostics check. And it did offer her help with different cover.

I think trying a new device would've ruled out the device as an issue and allowed Miss Y to make alternative arrangements on her insurance and move on in her own mind. However, as this option wasn't available to her, I intend to award a further £100 for the distress caused.

My final decision

My final decision is that I uphold this complaint. I require One Call Insurance Services Limited to:

- Pay Miss Y £100 in compensation – for distress and inconvenience.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss Y to accept or reject my decision before 19 November 2024.

Pete Averill
Ombudsman