

The complaint

Mr L complained about the actions of Carole Nash Insurance Consultants Ltd trading as Carole Nash after he tried to change his car on his motor insurance policy.

What happened

Mr L insured his car through Carole Nash who are an insurance broker. Brokers arrange and administer policies with insurers. In December 2023 Mr L bought a new car and phoned Carole Nash to ask them to change the car on his policy.

Carole Nash did ask Mr L's insurer but they wouldn't insure the new car, because it was an electric model. Mr L was unhappy with this. He said his new car was just a newer model of his current car. He complained to Carole Nash and took out insurance elsewhere. He was unhappy when Carole Nash then sent him payment demands for the outstanding premium balance and had debt collectors contact him when he didn't pay it. He said Carole Nash had told him by email that they'd cancelled the policy and wouldn't charge him any penalty.

Carole Nash agreed that they wouldn't charge the penalty, which was £50. They apologised for at first including that in their payment request. They confirmed that they would waive that £50. But they said that Mr L still had to pay the premium owed up until the cancellation date.

The investigator recommended that his complaint should not be upheld. She thought that Carole Nash had acted fairly and reasonably. Mr L didn't agree and so I've been asked to decide

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.

First, I'll explain that Carole Nash are Mr L's broker, not his insurer. So it wasn't Carole Nash who decided not to insure Mr L's new vehicle. It was his insurer who decided that, and Carole Nash had no control over the insurer's decision. So it wasn't Carole Nash's decision or fault. However Carole Nash had responsibility under Mr L's existing policy to obtain from Mr L the remaining premium payment under Mr L's policy until it was cancelled.

Mr L's policy started in September 2023. Carole Nash have shown us that Mr L paid for his annual premium in instalments and that there was a balance outstanding when it was cancelled on 13 February.

I've looked at Carole Nash's final response email of 11 January to Mr L's complaint. It says *"As we are unable to continue this cover, please contact our Customer Service Team as soon as possible...so that we can arrange to cancel your policy. As a gesture of goodwill, I have left a note on your policy for our administration fee of £50.00 will be waived on this occasion."*

So although Mr L thought that Carole Nash had agreed to cancel his policy, this email doesn't say that. Carole Nash were expecting Mr L to cancel it. A later Carole Nash email

confirms that the policy was cancelled on about 13 February 2024. But Carole Nash said that if Mr L could show them proof from the DVLA that he'd sold his old car before then, and Mr L's insurer agreed, they could backdate the cancellation date to the date of sale. They'd then recalculate and reduce the outstanding premium balance on that basis. But Mr L hasn't given Carole Nash that proof of sale.

Carole Nash accept that by mistake they included the £50 cancellation fee in the first payment request but did then waive that as they'd first promised. I think it was fair of Carole Nash to waive that amount. That then left a balance of £72.05 owed by Mr L. Carole Nash have shown us how this was calculated, taking into account payments he'd already made.

I do see that Mr L is angry and frustrated about the situation and thinks that Carole Nash should have been able to put his new car on his policy. And he's said he is not paying anything more because Carole Nash couldn't insure him. But as I've said above, Carole Nash are not his insurer and it wasn't Carole Nash's decision. It was the decision of Mr L's insurer, who have commercial discretion about what vehicles they wish to insure. Carole Nash can't interfere with that and have no control over it.

So although it wasn't Mr L's fault that the insurer couldn't insure him, it's not Carole Nash's either. What that means is that Carole Nash haven't done anything wrong. And so I don't ask them to do anything else.

My final decision

For the reasons given above, my final decision is that I don't uphold the complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr L to accept or reject my decision before 13 February 2025.



Rosslyn Scott
Ombudsman