

The complaint

Mr B has complained that his commercial van insurer, West Bay Insurance Plc ('West Bay'), incorrectly added two incidents on his record which led to him paying higher premiums since 2020.

West Bay is the underwriter of this policy i.e., the insurer. During the claim Mr B also dealt with other businesses who act as West Bay's agents. As West Bay has accepted it is accountable for the actions of its agents, in my decision, any reference to West Bay includes the actions of the agents.

What happened

I issued a provisional decision on this complaint in March this year and an extract from that decision follows:

"Mr B had a commercial van policy with West Bay between April 2020 and April 2024. He says that when he tried to take out a new policy after he got a new van in 2024 the price he was quoted was around £5,000. He said he then discovered that there were two false claims recorded on his claims history which impacted his quote. He said one claim was a duplicate of an existing claim and the other was a query about a courtesy car which was incorrectly recorded as a vandalism claim.

Mr B reported the matter to West Bay who agreed that neither claim should have been recorded. It said the first was a query it received in July 2021, during the 2021- 2022 policy year, when Mr B called to ask what would happen if he had an engine failure. West Bay says this was incorrectly recorded as a vandalism claim. The other incident related to an accident which was recorded twice. West Bay said it removed the two incidents in May and June 2024 and offered Mr B a refund of £14.94 for the vandalism claim and £33.30 for the duplicate claim. It also offered Mr B £100 compensation.

Mr B didn't think West Bay had dealt with his complaint correctly, so he brought it to our organisation. While the complaint was with us West Bay reinvestigated the matter and said that the refunds it had issued were incorrect. It said instead it should have refunded Mr B £49.48 and £84.82. It offered Mr B a further £200 compensation plus £3.45 interest. It also confirmed the vandalism and duplicated claims were removed from the Claims and Underwriting Exchange ('CUE') which is a database used by insurers to record incidents.

The complaint was passed to one of our Investigators who asked West Bay to provide, among other information, evidence of how the refunds were calculated as well as underwriting criteria to show how the premiums had been calculated. West Bay didn't

provide the information our investigator requested so he proceeded with his view, based on the information available to him.

Our Investigator said that West Bay should pay Mr B a further £294.32 in addition to the £134.30 it had already refunded plus interest. This was based on the fact that Mr B's premium went up from £928.93 in 2021-2022 to £1,143.24 in 2023-2024. Our Investigator said he didn't have enough information regarding the 2022-2023 premium so it was reasonable to assume that it increased by the same amount over that year. He thought West Bay's £300 compensation offer for distress and inconvenience was fair and reasonable.

West Bay didn't respond and as there was no resolution, the matter was passed to me to decide.

Before I proceeded with my decision, I asked both parties to provide further information including confirming the date of the genuine claim, the date of the false vandalism claim and the date of the duplicated claim.

Mr B said in May 2020 he called West Bay to ask about a courtesy car as his van had broken down. This was incorrectly logged as a vandalism claim and his premiums increased from £50 to £75 per month the following year. He had a genuine claim in August 2022 when the steering arm of his van snapped. This claim was recorded twice in error and his premiums increased from £125 to £175 per month the following year. He said he also had a non-fault claim in February 2024 as a result of which his premiums increased from £175 to £225 the following year. Mr B said he would provide details of the payments as shown in his bank statements. This evidence wasn't provided by the deadline set by our investigator.

West Bay said that there was a genuine windscreen claim made in October 2021. It also said that the false vandalism claim was logged in July 2021 and removed from its records in April 2024. It said the duplicate claim was logged in August 2022 and removed in May 2024. It also provided documents including CUE records, renewal and policy documents some of which we had already been provided with.

What I've provisionally 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.

West Bay agrees with Mr B that the vandalism and the duplicated claim should not be on his record. It says it has removed them both from CUE already which I think is fair and reasonable. Mr B said he had another claim in February 2024 but as this claim would have been taken into account from 2025 and his policy with West Bay ended in April 2024, I don't think this incident would have impacted any of the premiums he'd paid to West Bay up to the point the complaint was raised.

Like our Investigator, I haven't been provided with all the necessary information such as underwriting criteria, ratings etc. in order to be able to determine whether the refunds that West Bay has issued to Mr B were calculated correctly or show that Mr B hasn't been treated differently to any other customer in the same circumstances.

Also, the information provided by the parties isn't always clear. For example, it's not clear what each refund was for and whether it was for a particular claim or policy year. And it's also not always clear which claim each party is referring to. For example, the policy statements do not refer to a vandalism claim but refer to a claim where Mr B was hit by another driver in July 2021 and there is also no October 2021 windscreen claim. And Mr B said the false vandalism claim was in May 2020 but there is no record of any claim around that time.

I've based my decision on the limited information we have on our file and put more weight on documentation such as Mr B's policy schedules, renewal letters and statements between 2020 and 2024 as those documents were prepared contemporaneously. I've considered but put less weight on the parties' letters or statements especially those provided after the complaint was made, due to the time that elapsed.

According to the renewal documents, the premiums Mr B was charged between 2020 and 2024 were as follows:

- £1,232 in April 2020 but this was subject to a 30% discount.*
- £928.93 in April 2021.*
- £512.89 in April 2022. This is according to what West Bay has told us because we have not been provided with all the renewal documents for this year. Mr B was also charged an additional £54.39 as a mid-term adjustment when West Bay amended his policy in April 2022 after it said it found out about an undeclared claim which, on balance, I think was the false vandalism claim/July 2021 claim. Mr B was also charged a £14.95 administration fee for this change.*
- £1,143.24 in April 2023.*

As I said above, Mr B said the vandalism incident was recorded in May 2020 but as there is no such record I, on balance, think the July 2021 claim was the vandalism claim.

West Bay said that the vandalism incident from July 2021 would have been taken into account at the April 2022 renewal. West Bay has told us that the 2022 premium was £512.89 plus the £54.39 additional premium so it seems that in 2022, even with the vandalism incident, Mr B's premium seems to have gone down from 2021. But as the vandalism claim shouldn't have been included in the premium calculation, I think West Bay should refund Mr B the £54.39 additional premium and the £14.95 administration fee he was charged.

Mr B's insurance statement in 2023 shows both the incident from July 2021 but also another one in August 2022 where a third party swerved and hit Mr B. West Bay has said that this was the duplicate claim which was later removed. With both those incidents on his record, Mr B's premium went up to £1,143.24 which is an increase of £575.96 from the previous year. As the July 2021 incident was taken into account both years it seems the increase was, on balance and in the absence of other information, mainly down to the addition of the August 2022 duplicated claim.

On this basis, I think West Bay should refund Mr B the difference between his April 2022 and April 2023 premiums less any refunds it has issued to him so far. I think West Bay should also pay interest on this amount from the date Mr B was charged the extra premium in April 2023 to the date it pays him back, because Mr B was unfairly deprived of those funds over this period. And if he was paying his premium monthly, the interest should be calculated from the date of each payment.

I agree that Mr B would have suffered a certain degree of distress and inconvenience due to the errors that West Bay made. But I note that Mr B didn't become aware of those until after his policy ended, when he reported the matter in May 2024. For this reason, I think West Bay's offer of £300 for the distress and inconvenience it caused Mr B is fair and reasonable and in line with an award I would have made in the circumstances.

My provisional decision

For the reasons above, I am considering upholding this complaint and directing West Bay Insurance Plc to pay Mr B £575.96, this being the increase in his premium in April 2023. It must also pay 8% simple interest per year on this amount from the date it was paid in April 2023 or if the payments were made monthly from the date of each monthly payment to the date it pays him back. It should also pay the £54.39 additional premium and £14.95 administration fee plus 8% simple interest per year from the date they were charged in April 2022 to the date it pays Mr B back. West Bay may deduct the £134.30 refund it has already issued from the payment it makes to Mr B.

West Bay Insurance Plc must also pay Mr B £300 compensation for the distress and inconvenience it caused him if it hasn't already paid this."

Mr B responded ahead of the deadline I set in my provisional decision confirming he wished to accept it.

West Bay responded after the deadline and asked for confirmation I had seen one of its earlier emails. It also confirmed that it hadn't "reinvestigated" the matter as I said in my provisional decision, but it investigated it for the first time when it first became aware of it, after the matter was with our service, as we had been previously corresponding with the broker.

Our Investigator confirmed that I had seen the relevant email and all its attachments, but none included the underwriting criteria. He said I might be able to consider further evidence though the deadline for responses has passed.

West Bay responded with some of its underwriting criteria and said that based on the criteria it was prepared to pay Mr B a further £202.27. It said that the premium charged in April 2022 was correct and that though a mechanical breakdown claim from July 2021 was erroneously added onto the policy this was later taken off and the additional premium of £54.39 was refunded. West Bay also said that for April 2023 Mr B was charged £867.64 and this was based on the July 2021 claim which ought to have been removed as well as a genuine claim from August 2022 which was incorrectly recorded as non-fault but should have been a fault claim as Mr B collided with a parked car. If it had been logged correctly it would have resulted in Mr B paying six times more than he paid towards his yearly premium. It said the

premium offered should have been £563.54, still based on the August 2022 claim being non-fault which wasn't the case, instead of £867.64 (£765.81 net). It said other charges included broker commission which it wasn't responsible for.

Our Investigator responded to say the additional evidence was unlikely to be considered by me as it was submitted after the original deadline. He said that he had originally asked for underwriting criteria as far back as October 2024 and it would be unfair to consider it now especially as Mr B had already accepted the provisional decision.

The matter was then passed back to me.

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 have thought about whether I should consider the additional information West Bay provided after the deadline I set in my provisional decision which included some of its underwriting criteria. I am grateful to West Bay for providing this information but having weighed everything up, including whether it would be fair on both parties to do so, I have decided not to consider it. The reason for this is because both myself and our Investigator asked for further information from West Bay including its underwriting criteria on several occasions but it wasn't provided and when it was provided, it was provided out of time. I think it would also be unfair to Mr B to now consider this evidence and potentially make a different award bearing in mind he has accepted my provisional decision and has been hoping for a resolution to the matter for some time.

Even if I were to consider this information, I don't think I could reach an outcome based on the evidence provided and would likely require further evidence to be able to determine what the correct premium calculations should be. This would prolong matters further which I think is unfair to Mr B. As I said in my provisional decision, the evidence provided by both parties hasn't always been clear. And in West Bay's latest response there is further information which doesn't quite tie in with information provided before. For example, it said that Mr B's premium for 2023 was £867.64 (£765.81 net) whereas the renewal statement shows that the premium was £1,143.24. The difference may be due to broker's fees but no breakdown has been provided and I think it would be unfair for me to delay matters further in order to obtain this information now when it should have been supplied from the start. West Bay also said that the £54.39 additional premium generated in April 2022 had been refunded but this hasn't been mentioned before and it also isn't something that is confirmed within the documents provided to me. If this was included in the refund it already provided to Mr B, it wasn't made clear at the time. Also, my understanding is that this additional premium was due to the false vandalism claim which it now refers to as the mechanical breakdown claim, which wasn't removed from Mr B's record until 2024. So, I can't see how the £54.39 would have been refunded in 2022 meaning the 2022 premium was still correct as West Bay maintains, if it was on Mr B's record until 2024.

West Bay says that it investigated the matter for the first time after it was referred to our service and that previous correspondence was sent by the broker who had no authority to

respond to the complaint on its behalf. I have noted this, and I note this may also mean that the £100 compensation may have been paid by the broker even though the original £14.94 and £33.30 refunds were issued by West Bay as it previously confirmed to us. This doesn't change the findings I made in my provisional decision. I think what is most important is that Mr B has received these payments, regardless which company issued them. And these payments relate to Mr B's complaint about his premium being calculated based on incorrect information which is the underwriter's/West Bay's responsibility.

For these reasons, I have decided to make the same award I made in my provisional decision. The rest of my findings are as they were in my provisional decision and along with the findings above, now form part of this, my final decision.

My final decision

For the reasons above, I am upholding this complaint and directing West Bay Insurance Plc to pay Mr B £575.96, this being the increase in his premium in April 2023. It must also pay 8% simple interest per year on this amount from the date it was paid in April 2023 or if the payments were made monthly from the date of each monthly payment to the date it pays him back. It should also pay the £54.39 additional premium and £14.95 administration fee plus 8% simple interest per year from the date they were charged in April 2022 to the date it pays Mr B back. West Bay Insurance Plc may deduct the £134.30 refund already issued from the payment it makes to Mr B.

West Bay Insurance Plc must also pay Mr B £300 compensation for the distress and inconvenience it caused him if Mr B hasn't already been paid this.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr B to accept or reject my decision before 23 May 2025.

Anastasia Serdari
Ombudsman