

The complaint

Mr B complains that Rooster Financial Services Ltd (“Rooster”) didn’t tell him about the nature of his monthly payments for his car insurance policy and disagreed with the amount it says he owes.

What happened

Mr B bought a car insurance policy via Rooster, which is a broker.

He bought the policy online and paid monthly.

He made a change to the policy when he changed his car mid-term. A claim was made on the policy by a third party against Mr B. The insurer paid the claim.

The insurer cancelled the policy mid-term and required Mr B to pay the entire premium to it.

Mr B complained about the cancellation of his policy. His complaint reached this service and an ombudsman made a final decision that the cancellation of the policy was fair, and that it was also fair for Mr B to pay the remaining premium in line with the policy terms.

Mr B made a further complaint that he wasn’t aware that his premium was being paid via a premium funding company. He said Rooster hadn’t told him this. He also disagreed with the amount of money he was expected to pay, which was £2,907, when he understood that his original premium was £1,008.24.

Mr B brought his complaint to this service. Our investigator looked into it and thought it wouldn’t be upheld. She said she thought Rooster had informed Mr B about the arrangement for his payments, and that he’d misunderstood that the cost of changing his car was just over £1,000 whereas the original premium was over £3,000.

Mr B didn’t agree with the view and asked that his complaint was reviewed by an ombudsman, so it’s been passed to me to make a 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 mentioned above that Mr B has previously complained to this service about the cancellation of his policy and that he needs to pay the premium for it. He continues to complain about these points, but as I mention above, an ombudsman has made a final decision about those issues and I’m not going to consider them further here.

This decision is only about the arrangements made by Rooster for him to pay monthly for his policy, and to explain why the premium was higher than he thinks.

I’m not upholding his complaint and I’ll explain why.

I'll deal with the premium first. I can see from the file that the original premium payable by Mr B when he took out the policy was £3,302.54 and it was for the first car Mr B wanted to cover from the start of the policy in June 2024. I can see this amount is explained on his policy schedule that was reasonably sent to him.

Two months later Mr B changed his car. Rooster sent him a further policy schedule showing that the additional premium would be £1,129.23 for the remaining ten months of the policy. I'll explain that this figure includes IPT, and that the net figure is £1,008.24 as mentioned above.

Mr B was also told this additional amount in an online chat with Rooster. He uses the word 'additional' when he talks about the premium. I'm satisfied that it's clear and that the information was available to Mr B via his online account with Rooster. I can see Mr B provided some of those documents to this service, so it's clear he had access to them.

I've also looked at the monthly payment arrangement used by Mr B. This was set up using a third-party premium funding company and as I say above, Mr B has complained that this relationship wasn't explained to him by Rooster.

Rooster has sent evidence of the sales process Mr B would have followed when he took out the policy. The screenshots of this are generic rather than the actual screens he would have seen, but I think they show a fair representation.

In the process, Mr B would have completed the screen where he enters details about the drivers and the car itself. Then he would have been asked "*How do you want to pay for your policy?*". There are two boxes, one requiring full payment up front, and the other offering monthly instalments. Mr B chose monthly.

Mr B would then have seen a new screen requiring his bank details as a direct debit would be set up with the named premium finance company. Rooster sent him a document explaining the payments.

Looking at the evidence, I'm satisfied that Mr B would have reasonably been aware about the nature of the premium finance he was accepting to buy the policy.

What this means is I'm not upholding this complaint and I'm not going to ask Rooster to do anything more.

My final decision

It's my final decision that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr B to accept or reject my decision before 25 February 2026.

Richard Sowden
Ombudsman