

complaint

Mrs J has complained about Be Wiser Insurance Services Ltd's actions in connection with her motor insurance policy.

background

Be Wiser had arranged motor policies for Mrs J between 2015 and 2018. But, after renewing her policy in 2018, Mrs J found out that she could get a cheaper policy elsewhere and she asked Be Wiser to cancel her existing policy. Be Wiser did so and told Mrs J that she still owed it around £178. Mrs J wasn't happy about that and complained. As a gesture of goodwill Be Wiser reduced the sum it said Mrs J had to pay to around £74. It then pursued her for that sum.

Mrs J brought her complaint to us. Our adjudicator didn't think that Be Wiser had done anything wrong. Mrs J didn't agree so the complaint's been passed to me decide.

my findings

I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint. Having done so I'm not going to uphold it.

Mrs J thinks that Be Wiser didn't try and find her a competitive quote and instead simply renewed the policy with her existing insurer.

As Mrs J knows Be Wiser is a broker not an insurer. So when its customers ask it to find a quote it approaches its panel of insurers who will provide quotes to Be Wiser. It will then add its fees before forwarding the most competitive quote on to its customer.

But Mrs J doesn't think Be Wiser did look for quotes from its panel. And Be Wiser hasn't been able to provide Mrs J with details of the other quotes it received when it offered to renew her policy in 2018. So Mrs J believes that Be Wiser didn't bother to look for alternative quotes and instead simply offered her the price that her existing insurer provided. But given my experience of the insurance industry I don't believe, on balance, that's what happened.

While it would certainly have been helpful if Be Wiser had kept a record of at least some of the other quotes it received to insure Mrs J in 2018, I don't think the fact Be Wiser didn't keep those quotes means it didn't look for them. That's because it's in Be Wiser's interests to find the most competitive quotes that it can for its customers, as that way it's more likely to retain those customers' business. Be Wiser's told us that given the number of insurers it has access to, it only keeps the most competitive quotes. And I'm not aware of any requirement for a broker such as Be Wiser to retain the other quotes it's decided not to offer to the consumer. And I don't find that unreasonable or unfair as in the majority of cases that information won't ever be needed again.

Mrs J's said that if Be Wiser had asked its panel of insurers for quotes then at least one of those would have returned a cheaper quote than the one Be Wiser offered. I'm not sure how Mrs J's arrived at that conclusion. But it might be because - when looking at the market herself - she found a number of cheaper quotes, so she thinks that Be Wiser should also have been able to find a cheaper quote. But I'm not persuaded that's the case.

While Be Wiser may have many insurers on its panel it won't cover the entire market. So there will be other insurers who won't provide a quote to Be Wiser. And those insurers might be able to offer a cheaper premium. Also, it's often the case that policies available online, particularly those sold through comparison websites, offer introductory discounts for new customers that might not be offered to Be Wiser. So Be Wiser might not be able to match those quotes.

Also Be Wiser's provided evidence from 2017 of offering Mrs J a cheaper quote from a different insurer. But on that occasion, after she changed address, Be Wiser ran the quotes again and offered her a cheaper quote again from her existing insurer. And I think that's evidence that it does seek quotes from other insurers and not simply that it quoted Mrs J from her current insurer. So I don't think the fact that Mrs J could find a cheaper quote from another provider herself means that Be Wiser didn't approach its panel of insurers or that it didn't provide Mrs J with the most competitive quote that was available to it.

Mrs J's also unhappy with Be Wiser's response to her complaint and the manner in which it pursued her for the sum outstanding.

In response to Mrs J's complaint Be Wiser reduced the sum owing by around £104 to £74.10. That wasn't something it had to do, but it did so as a gesture of goodwill. It told Mrs J that if she remained unhappy she could bring her complaint to us. Mrs J didn't do that instantly and continued to write to Be Wiser. I can understand that she did so because she wasn't satisfied with Be Wiser's reply to her concerns and wanted more information from it. But I think Be Wiser had correctly advised Mrs J of the appropriate complaints procedure as set out by its regulator (the FCA). So I don't think it did anything wrong in telling Mrs J that, as it had issued its final response letter, it had closed her complaint.

Mrs J wasn't happy that Be Wiser continued to pursue her for the £74 it said she owed despite her ongoing complaint. I've noted that the credit provider - which enabled Mrs J to pay for her policy in instalments - wrote to Mrs J after Be Wiser had told her it had reduced the sum owing to £74. The credit provider said that as Mrs J had cancelled her direct debit she needed to pay it around £97. I should explain that the credit provider is a separate business to Be Wiser so Be Wiser isn't responsible for the credit provider's actions. But I agree that Be Wiser should have taken action to make sure that the credit provider was aware of the agreement to reduce the outstanding amount to £74. It's not clear that Be Wiser had taken that action previously. But I've seen that it later confirmed to Mrs J that this sum owed was £74 and that she didn't owe anything extra to the credit provider. And I think that was a reasonable solution in the circumstances.

Mrs J also complained that Be Wiser continued to pursue her for the outstanding sum even though the amount remained in dispute. But while Mrs J wasn't happy with Be Wiser's response to her complaint, as it had issued its final response letter, as far as it was concerned the matter was closed and it had advised Mrs J how to take the matter further with us if she wanted to. And as I've said above I think that was reasonable in the circumstances. So Be Wiser was faced with a situation where a customer, Mrs J, owed it money; it had responded to a complaint about that and issued its final response; but Mrs J still hadn't made payment. In those circumstances I don't think Be Wiser did anything wrong in trying to enforce the amount that was owing, even if Mrs J continued to dispute that. Otherwise a consumer could avoid paying sums genuinely owed simply by continuing to dispute that they were owed or by raising complaints. It follows that I don't think Be Wiser did anything wrong in taking measures - including referring the file to debt collectors - to obtain the amount owing from Mrs J.

For completeness I know that Mrs J would like Be Wiser to repay her the £74 she paid to it after cancelling her policy. But I've seen that Be Wiser reduced the actual sum owing by around £104. And I think the £74 it charged Mrs W was reasonable in the circumstances. So I'm not going to instruct Be Wiser to take any further action.

my final decision

For the reasons set out above I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs J to accept or reject my decision before 7 March 2020.

Joe Scott
ombudsman