

complaint

Mrs T has complained that Be Wiser Insurance Services Ltd made a mistake and this meant she had to pay more for her car insurance policy.

background

When her car insurance came up for renewal Mrs T went on-line and got a quote from Be Wiser. She thought it was too much and didn't go ahead. She's said she then got a call from an adviser at Be Wiser who discussed her quote and offered her a much better price. So she decided to go ahead on that basis. Be Wiser sent her out documents to check.

A little while later Be Wiser asked for a copy of both sides of Mrs T's driving licence, because the insurance company providing her policy had asked for it. She sent it and Be Wiser sent a copy to the insurance company. The insurance company then realised Mrs T had only had a full UK licence for a short period of time and increased her premium. Mrs T couldn't afford to pay the extra and Be Wiser couldn't find her a policy at an acceptable price, so she went back to her previous insurance broker. They couldn't reinstate the previous policy that she hadn't renewed, but did manage to get her one for a better price than Be Wiser. But this was still £361.36 more than what she'd been quoted to renew her previous policy.

Mrs T says she told Be Wiser's adviser that she'd only had a UK licence for a short period of time and she thinks Be Wiser should have told the insurance company this. She's said, if they had done and the insurance company had quoted the higher premium, she would've renewed her existing policy. So Mrs T thinks she's lost out because of a mistake by Be Wiser's adviser.

Our investigator thought it was most likely the adviser had made a mistake and suggested Be Wiser should pay Mrs T the £361.36 on the basis she wouldn't have paid this extra amount if she'd renewed her existing policy. But she later said she felt it was fair for Be Wiser to deduct what Mrs T had saved by not paying for cover under the policy she had with Be Wiser.

Be Wiser don't agree with our investigator and have asked for an ombudsman's decision. They think the fact they cancelled Mrs T's policy without charging anything at all is enough to put things right.

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've decided to uphold it for the same reason as our investigator.

Unfortunately, Be Wiser don't have a recording of the telephone conversation Mrs T had with their adviser. So, I have to base my decision on what I think is most likely to have happened in that call. The broker who arranged Mrs T's previous policy and her new one when she cancelled the one through Be Wiser have confirmed they had the correct licence details on their records. And I think this means Mrs T provided them with the correct details. This suggests she had no intention of hiding the fact she'd only had a UK licence for a short period of time. And this makes me think it's most likely she told Be Wiser's sales adviser this.

I appreciate Mrs T could have accidentally said when she got her quote from Be Wiser

on-line that she'd had a full UK licence for a long time. But I've looked at a copy of the statement of fact she was sent once the policy had been set up and I don't think this made it clear Mrs T's policy was based on her having a UK licence for a long time. It only referred to the fact she had a full UK licence and the date she passed her test. But it doesn't specially refer to the date she passed her UK test. Plus, she'd given the correct information to Be Wiser's adviser, so had no reason to think the statement of fact was wrong.

Our investigator has checked with Mrs T's broker and they've confirmed Mrs T couldn't have cover at the premium she was quoted at renewal when she went back to them about her previous policy. And she only had to go back to them because she couldn't afford the new price quoted by Be Wiser. I think she was only faced with this new price because of an error by Be Wiser's adviser. And I'm satisfied if the adviser hadn't made a mistake Mrs T would have renewed her existing policy on the basis that she was offered it originally.

This means Mrs T lost £361.12 as a result of Be Wiser's error. But Be Wiser have told us Mrs T saved £78.71 because they didn't charge her anything for the cover she had under the policy she had with them. So I think it's fair and reasonable for her to get back £361.12 less this amount, which is £282.41. I've not awarded interest on this, as I think just making Be Wiser provide the refund is enough in itself on this particular occasion.

I've also noted that the previous policy would have renewed with replacement car cover and Mrs T didn't include this on the new policy she took out. But I still think overall the payment of £282.41 is fair, as Mrs T hasn't had to make use of the replacement car cover and may never end up being without a car following an accident or theft.

my final decision

For the reasons explained above, I uphold Mrs T's complaint and order Be Wiser Insurance Services Ltd to pay her £282.41.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs T to accept or reject my decision before 19 February 2018.

Robert Short
ombudsman