

## **complaint**

Mr Y complains that an error made by his broker, County Insurance Consultants Limited (County) in setting up his direct debit meant that he was required to pay a higher monthly payment than had been agreed. After the policy renewed, his monthly payments were again increased, contrary to the original agreement with County.

## **background**

Mr Y's policy with County was set up in September 2010. He agreed to pay the premium by monthly instalments of £199.98, but the direct debit was not set up, and so no payments were taken for six months. County says the error was made by the insurer and has provided evidence that the direct debit mandate was sent to the insurer. Mr Y felt he should not have to pay the premiums that were not collected and that the policy should now run from April 2011 to April 2012. As County had to pay the insurer the full sum due, it discussed the situation with Mr Y and he agreed to pay £200 towards the sum owed, from April to November 2011, with a final smaller payment in December. County agreed that no interest would be charged on these instalments.

Mr Y paid only four of the nine instalments that had been agreed. County suggested that the remaining sum due (£571.87) would be added to the next policy year's direct debit payments. Mr Y disagreed with that, and complained to the insurer. There was no further contact with County about this until January 2012. At that point, County told Mr Y that it would have no alternative but to add the sum now due (amounting to £972.75) to his payments for the current policy year, unless it heard from him within seven days. Mr Y did not respond within that time, but he did so when he received an amended payment schedule. Mr Y was then given the option of paying the sum due, without an interest payment, but as he did not agree, the debt was added to the current finance agreement.

Meanwhile, Mr Y made a claim for a broken window on his taxi with a windscreen repair firm contracted under the motor insurance policy. There was some difficulty with the claim, as incorrect details had been recorded in the policy documents. County paid him £100 for the error, but Mr Y says he lost several days' earnings and requires full compensation for that.

Our adjudicator did not uphold the complaint. He was satisfied that Mr Y had benefitted from insurance cover from September 2010, despite the premiums not having been collected, and therefore considered it fair for County to collect the premium subsequently. He was also of the view that Mr Y was partly responsible for not noticing any errors in his policy documents and that County's offer of £100 for the error was fair and reasonable. As Mr Y disagreed with the adjudicator's view, the complaint was passed to me for review.

## **my findings**

I have considered all the available evidence and arguments to decide what is fair and reasonable in the circumstances of this complaint.

I agree with the adjudicator that as Mr Y had the benefit of motor insurance for the whole of the policy year from September 2010, it is fair and reasonable that he should pay for it, regardless of whether he made a claim during that period. I appreciate that County may (or may not) have made an error leading to the non-collection of the premiums, but in my view Mr Y also made an error in not noticing, over a period of several months, that his account was not debited with the substantial sum due in premium payments. In addition, once the

error was recognised, in my view County acted reasonably in offering Mr Y flexibility in how the overdue sum was to be paid, and in waiving the interest due. It appears that he did agree to the initial arrangement proposed, but once he stopped paying the instalments, County had no option but to find a way to recoup the sum it had already paid to the insurer. Again, the evidence suggests that he was given an opportunity to contact County, but did not do so until it added the debt to the current credit agreement.

In relation to the claim for the broken window, the details of Mr Y's registration were correct on the initial policy but incorrect on the renewed policy. It is not clear how the error arose, but again Mr Y did not notice it when he checked his policy documents. I appreciate that he may have lost several days earnings, although no evidence of that has been provided, but in my view, there were options open to him prior to the incorrect details being resolved by County. County has said that it is usual for a consumer to give their credit / debit card details to the windscreen repair firm, pending the resolution of any apparent error in the documents.

Mr Y has not commented on whether this option was put to him, but even if it was not, in my view, Mr Y could have paid for the repair himself and claimed back the cost; it seems to me that would have been preferable to losing several days earnings. In my view, it is unreasonable to expect County to reimburse all his losses.

Since he made his original complaint Mr Y has raised new issues regarding various administrative matters, largely related to errors in documents issued by the insurer. It appears that some of these had not been raised with County previously, or were too vague to assess. Although this complaint is limited to County's actions on matters already raised with it by Mr Y, as far as I can see it has tried to correct any administrative issues quickly, and in my view, Mr Y was not actually financially disadvantaged by these errors.

### **my final decision**

My final decision is that I do not uphold this complaint.

Susan Ewins  
**ombudsman**