

complaint

Mr A complains that Be Wiser Insurance Services Ltd, his broker, charged him too much after he cancelled his motor insurance policy.

background

Mr A took out the policy through Be Wiser on 30 May 2015. He paid half the deposit straightaway and says he agreed to pay the rest of it on 26 June 2016. The remainder of the premiums were to be paid by direct debit. Be Wiser took the other half of the deposit from Mr A's account on 15 June 2016. He says that meant it became overdrawn.

Mr A wasn't happy so he cancelled the policy. Be Wiser told him he owed several hundred pounds, when Mr A had only expected to pay a cancellation charge of £50. He says he was then harassed about payment.

Our adjudicator said Mr A's account would have become overdrawn anyway before the date *he* said he was due to pay the rest of the deposit. That meant even if Be Wiser took the payment early, it didn't put him in a worse position. She said a letter to him from Be Wiser on 30 May 2016 said the sum was due within 14 days. But Be Wiser couldn't locate its initial call with Mr A. Because of that, it had offered to waive all outstanding charges.

Mr A didn't agree with the adjudicator that Be Wiser had acted reasonably. He said she'd overlooked the *key facts* sheet that said only a charge of £50 would be made. He asked for a review of the complaint by an ombudsman.

my findings

I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint.

Mr A used Be Wiser's services as a broker. He agreed to its terms and conditions as well as those of the insurer. He's referred to the insurer's *key facts* sheet but seems not to have noted Be Wiser's *key facts* document. Be Wiser had set out its own charges on cancellation. It also charged arrangement fees for setting up the policy and payment by instalments. On top of that, the insurer was entitled to charge for the time it had covered Mr A.

The reason Mr A cancelled is that he thought Be Wiser had taken money from his account too early. There isn't any evidence of that. Be Wiser's letter to him dated 30 May 2015 says the money will be taken within 14 days. Actually it was taken later than that. I think the adjudicator made a fair point in saying that Mr A's account would have been overdrawn anyway before the date he expected payment to be taken. Be Wiser seems to have sent eight letters to Mr A (some with general queries) and made several phone calls. Mr A didn't respond. The debt collection agency it then used would also have called and written to him. That might have felt like harassment to Mr A, but I don't think it was wrong in the circumstances. Mr A owed Be Wiser money and hadn't contacted it about the issue.

I agree with the adjudicator that Be Wiser acted fairly when it realised it couldn't locate the initial call with Mr A. I think by waiving all outstanding charges it did all it could to put matters right. It was entitled to charge Mr A more. I don't think there's any reason to require it to pay Mr A compensation.

my final decision

My final decision is that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr A to accept or reject my decision before 4 April 2016.

Susan Ewins
ombudsman