

complaint

Mr A and his brother - Mr A2 - complain that Be Wiser Insurance Services Ltd didn't handle the cancellation of Mr A's motor insurance policy properly.

background

Mr A took the policy out through Be Wiser in April 2015. He was asked if he was the car's registered keeper. He said it was in Mr A2's name but he'd get it changed. The advisor accepted his assurance and made it clear that he couldn't be insured otherwise. Mr A then didn't get the V5 registration form amended. The policy documents showed him as the registered keeper initially and at renewal a year later, but Mr A took no action.

Mr A made a claim on the policy in July 2016. On the same day his insurer asked Be Wiser for driving licence details for Mr A and Mr A2 and a copy of the V5 registration document. It asked why it had been told Mr A was the car's registered keeper. Meanwhile, it put the claim on hold. Be Wiser told Mr A the policy would be cancelled unless it got the requested details. On 8 August Be Wiser said it had received some of the documents from Mr A, but the codes he'd sent it to check the licences didn't work.

On 12 August 2016 Mr A said he was sending off the V5 for his name to be put in as the car's registered keeper. He sent in further licence codes, but they didn't work either. Three days later the insurer voided the policy (it cancelled it as though it had never existed). The insurer said it wouldn't have insured Mr A had it known at the start he wasn't the car's registered keeper. Mr A said Be Wiser was to blame for what had happened.

Our investigator said when the policy was sold Be Wiser did enough to make it clear to Mr A that he had to be the car's registered keeper. He should have made sure that he was. Although he sent in the licence codes three times, there was no evidence that Be Wiser had lied about them not being valid. And Mr A could've sent in the licence summaries instead. He wasn't able to supply a copy of the amended V5 as it hadn't been changed. The investigator didn't think Be Wiser had paid Mr A the correct refund, so he said it should do that.

Mr A asked for a review of the complaint, so it was passed to me.

my findings

I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint. I don't think it should be upheld.

It seems that the reason the policy was cancelled by the insurer was because Mr A wasn't the car's registered keeper. That alone would have stopped it from offering him insurance cover. Be Wiser would have had no reason to say the codes Mr A sent in weren't working if they were. There's nothing to show that happened. And even if the codes *had* worked, it seems the outcome would've been the same anyway.

Mr A says he made an innocent mistake and didn't try to mislead anyone. Be Wiser doesn't dispute that he told it he wasn't the car's registered keeper at the start. But he also said he'd do something about that straight away. On balance, I think it was reasonable for Be Wiser to rely on his assurance. Mr A then had a long time during which he could have corrected the situation. The insurer's routine check wasn't carried out for 15 months after the policy started. During that time, Mr A had been sent two sets of policy documents showing him as the registered keeper. I think he could easily have prevented the cancellation.

Mr A thinks the refund he got was wrong. Initially the investigator agreed, but later Be Wisser explained how it was calculated. The full cost of the policy for the year was over £395. Mr A had only paid part of that amount, since he was paying by instalments. The finance company kept £27.55 in interest. Be Wisser makes a cancellation charge, which it reduced to £52.16. I think that was reasonable.

As Be Wisser had explained why Mr A's refund was less than he'd expected, the investigator could no longer uphold that aspect of his complaint. Mr A repeated that there'd been a genuine oversight on his part. And he said the main issue was the future effect on him that the recording of the cancellation / voidance would have.

I appreciate that Mr A forgot to change the V5 document. But that doesn't make a difference to the outcome. He still wasn't the car's registered keeper 15 months after he bought the policy. I can see why he's so concerned about the cost of future insurance, given the voidance on his record. But I don't think that's Be Wisser's fault. The complaint he made about the insurer was dealt with separately and wasn't upheld. I don't think Mr A's shown that Be Wisser acted unreasonably either, so I can't uphold his complaint.

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 and Mr A2 to accept or reject my decision before 4 September 2017.

Susan Ewins
ombudsman