

## **complaint**

Mr P complains about Express Insurance Services Ltd's administration of his motor insurance policy.

## **background**

Mr P took out a motor insurance policy with an insurer through Express. Mr P told Express he had been involved in an incident. Mr P complains that it incorrectly recorded a claim on its system. He changed his car and was told he had to pay an additional premium. He wanted to cancel his policy but says Express said he couldn't do so. Mr P says he has been caused a financial loss as he paid an additional premium (for changing his car) on a credit card. He's also unhappy with Express' customer service and that he received a letter from the DVLA. The insurer subsequently told Express that a claim hadn't been made on the policy. Express changed its records.

In response to Mr P's complaint Express agreed to waive a £75 administration fee and refunded the additional premium of £98.60 for the change of vehicle. Mr P remained unhappy with this.

Our adjudicator recommended that the complaint should be upheld. She considered that:

- Express didn't tell Mr P that he couldn't cancel his policy. It said he would have to pay about £430 to cancel the policy. Mr P chose to pay this on his credit card. Express has waived the £75 administration fee and refunded the additional premium of £98.60. This is reasonable.
- When Mr P wanted to cancel his policy the incident was still logged on Express' system as a claim. It has admitted this was an error. Although Mr P had a duty to notify his insurer of any incidents it was reasonable for him to tell Express as the broker. What Express should've done from the start was tell the insurer about the incident. Claims and incidents may affect the premium charged by the insurer.
- The insurer instructed Express to remove the non fault claim from its systems as it was not aware the incident had happened. Express had the incident on its system as a claim in error - it should have been an incident. But this could still have affected the premium.
- Express has said it didn't check with the insurer about the incident before quoting the cancellation figure to Mr P. The insurer has no record of either a claim or incident. Express didn't act reasonably by failing to notify the insurer in the first place and then failing to check again when Mr P cancelled the policy. The incident is not logged on the Claims and Underwriting Exchange when it should be.
- Express has accepted it didn't call Mr P back when it should've done. Its apology for this is enough. Mr P received a letter from the DVLA when insuring the new vehicle on the policy because the insurer didn't update the car's registration number on the policy. The insurer has apparently already offered Mr P £200 compensation for this.
- There's been poor service and Express should pay Mr P £100 compensation for this.

Express doesn't agree. It says Mr P was told to report the incident to the insurer but he didn't do so. It didn't know he hadn't done so. The decision to remove record of the claim was made by the insurer in response to the complaint. When Mr P changed his car Express removed a £75 service charge and an additional premium of £98.60 was refunded. So no

further compensation is due. The claim was correctly logged as Mr P was involved in an incident. The letter received from the DVLA was a result of an error by the insurer.

### **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 agree with the adjudicator's conclusions for broadly the same reasons.

Express has said that the decision to remove record of the claim was made by the insurer in response to the complaint. But I don't think that is the case. The insurer has confirmed that it was not notified of any claim and it told Express to close any non fault claim that may be open on its system. But I accept that Express is not responsible for any errors made by the insurer.

It's clear that Express could have handled matters better. Its customer service was poor on occasions. It didn't correctly record the incident. I think it should reasonably have told the insurer of the incident at the start and checked the position when Mr P asked to cancel the policy.

I note that Express has already agreed to remove a £75 service charge and refund an additional premium of £98.60. That is reasonable. But Mr P has also been caused some trouble, upset and inconvenience. I agree with the adjudicator that a payment of £100 compensation for this is a fair resolution of this complaint.

### **my final decision**

For the reasons I've discussed above my decision is that I uphold this complaint and I require Express Insurance Services Ltd to pay Mr P the sum of £100 (in addition to what it's already agreed to do).

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr P to accept or reject my decision before 8 June 2015.

Stephen Cooper  
**ombudsman**