

complaint

Mr N complains that Be Wiser Insurance Services Ltd unfairly cancelled his car insurance.

Mr N's partner helped him with the complaint.

background

I set out the background and circumstances of the complaint and my initial thoughts in my provisional decision of April 2016. I've attached a copy of that decision, which forms part of this final decision.

Mr N's partner confirmed that he was happy with the decision. Be Wiser didn't respond to my provisional decision.

my findings

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

Mr N is happy with the decision and Be Wiser hasn't provided any additional comments. And I see no reason to change my initial decision.

my final decision

I uphold the complaint and I direct Be Wiser Insurance Services Ltd to;

- stop requesting further payment from Mr N and write off any outstanding premium, related fees or charges.
- after deducting the cost of time on cover, refund Mr N the remaining £167.24 from his deposit payment, plus 8% simple interest from 17 June 2015 to the date of reimbursement.
- remove any cancellation notice it has entered from all insurance databases.
- remove any adverse entries made on Mr N's credit file.
- pay Mr N £100 compensation for the distress caused.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr N to accept or reject my decision before 27 June 2016.

Karen Dennis-Barry

ombudsman

provisional decision

complaint

Mr N complains that Be Wiser Insurance Services Ltd cancelled his car insurance.

Mr N's partner helped him with his complaint.

Background

Mr N's car insurance was taken out over the phone in June 2015. Be Wiser cancelled the policy at the end of July 2015, because Mr N didn't send them the documentation it asked for. But Mr N didn't get any of the letters Be Wiser sent him as the letters had been sent to

the wrong address. To resolve his complaint he wants Be Wiser to stop asking him for further payment and refund all payments made.

Our adjudicator thought Be Wiser had made a mistake, by sending the letters to the wrong address and she thought it had missed opportunities to correctly update Mr N's address. She asked it to write off the outstanding balance and refund all his payments. The adjudicator also recommended that Be Wiser pay Mr N £100 compensation, to reflect the distress caused.

Be Wiser disagreed and asked for an ombudsman to look at the complaint.

my provisional findings

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

Be Wiser says that the wrong door number could have been given to the agent during the sale call. It says that as this particular call isn't available, there isn't any evidence to show what happened. It also says that the full premium may be due as Mr N has two claims that were not disclosed when he took the policy.

Mr N is confident that the correct door number was given in the sale call. He says that when Be Wiser called on 17 July 2015, they were told he hadn't received any insurance documents or letters.

It is unfortunate that the sales call isn't available, but I think it's more likely that the agent made a mistake when taking down the address. I've listened to the calls provided by Be Wiser, where Mr N's partner says that no documents or letters have been received. I think that Be Wiser should have realised sooner that it had the wrong address and I agree that it missed opportunities to correct its records.

I asked Be Wiser to explain why it thought that the full premium should be due, if the policy was cancelled due to the letters being sent to the wrong address. Be Wiser hasn't offered any further explanation about this or provided any evidence relating to alleged undisclosed claims. From what I've seen I think the policy was cancelled because of an error on Be Wiser's part, so I don't think the full premium is due.

As I understand it Mr N paid a deposit of £369.99 and then two further instalments of £358.70 and £334.13. Mr N made successful chargebacks for the two instalments, totalling £692.83. Mr N wants his deposit returned.

Be Wiser says that the cost for the time Mr N had cover is £202.75. I think it is fair for Mr N to pay for the time he had insurance cover for, so to resolve this complaint I think that Be Wiser should write off any outstanding premium or related fees and deduct the time on cover from Mr N's deposit, refunding the remaining £167.24 of his deposit. I also think that if it entered the cancellation on Mr N's insurance records, it should remove this.

I agree with the adjudicator that Mr N was caused distress by his policy being cancelled because the letters were sent to the wrong address. I think that £100 compensation is fair and reasonable.

my provisional decision

Subject to any additional comments and evidence that I require from the parties, my provisional decision is that I uphold the complaint and think Be Wiser Insurance Services Ltd should;

- write off any outstanding premium, related fees or charges and stop requesting further payment from Mr N.
- after deducting the cost of time on cover, refund Mr N the remaining £167.24, from his deposit payment.
- remove any cancellation notice it has entered from Mr N's insurance record.
- pay Mr N £100 compensation.

Karen Dennis-Barry
ombudsman