

complaint

Mr T has complained about the information Be Wiser Insurance Services Ltd gave to him when it referred him to a credit hire/claims management company (CMC).

Reference to be Wiser includes its agents.

background

Mr T was on holiday abroad when he found out that his car, which was in the UK, had been damaged while parked. He phoned Be Wiser to report the claim. Be Wiser referred him to a CMC to deal with it.

Mr T was unhappy about the progress of his claim. He complained to Be Wiser. It told him that it wasn't responsible for the progress of the claim; the CMC was. Mr T didn't think that Be Wiser had given him enough information before referring him to the CMC.

Our investigator didn't think Be Wiser had done anything wrong. Mr T didn't agree so his complaint's been passed to me to decide.

my findings

I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint. Having done so I'm not going to uphold it.

Be Wiser is an insurance intermediary, so it sells policies and might help with their administration but it doesn't provide the cover which is provided by an insurer which is a separate business. Be Wiser doesn't deal with claims itself. But it has a claims helpline, which Mr T phoned.

I've listened to the call in which Mr T reported the claim and in which Be Wiser referred him to the CMC. Having done so I think Be Wiser gave Mr T enough information to make an informed decision about who he wanted to deal with the claim.

Mr T's said that Be Wiser didn't tell him that in choosing the CMC his "*current insurance*" would be *bypassed*. But he's acknowledged that Be Wiser did tell him that in choosing the CMC his insurance company would be bypassed. So I'm not sure why he felt that if his insurer wasn't involved his current insurance would still be relevant to the CMC's handling of the claim.

Mr T's said that he initially told Be Wiser that he would like to claim through his insurer. But it asked him three times what his preferred choice would be and it was only after the third time that he chose a referral to the CMC. But I don't think that means that Be Wiser dealt with him unfairly. That's because I don't think it was unreasonable for Be Wiser to say why it thought that the CMC might be a better option for Mr T. And he wasn't under any obligation to use the CMC, so he could have maintained his stance that he wanted his insurer to handle the claim.

Mr T said that once he'd chosen the option of using the CMC "*no new terms of the new insurance policy*" were given to him. But he wasn't taking out a new policy. Instead he was making a claim through a CMC. So there were no new insurance policy terms for Be Wiser to pass on.

Mr T's said that Be Wiser didn't advise him he would be expected to sign a credit hire agreement. He said that put him at risk if the third party had disputed his claim. He said this should have been explained to him during the initial call. But I don't think that was required.

Be Wiser told Mr T that he was bypassing his own insurer. And Mr T was clear that, as he was abroad and the call was expensive, he didn't wish to spend any more time on the phone than was necessary. So I wouldn't have expected Be Wiser to go into more details in terms of the agreement the CMC would expect him to enter into at that time. Also if Mr T wasn't happy with the CMC's credit hire terms once he saw them he didn't have to agree to those and could have put his claim through his insurer at that point. Further, during the call Be Wiser told Mr T that if the third party did dispute liability then he may be asked to "*utilise your own comprehensive cover*". So I don't think that Be Wiser did put Mr T at risk as he says. It told him he might be asked to claim through his insurer, which I understand is standard practice. That is, if a third party disputes liability, a CMC will return the claim to the insurer to deal with.

Mr T's said that choosing the CMC meant that seven or eight companies were involved. And if he'd been aware of that then he would have made a different choice. That might have been the case but this isn't something I would have expected Be Wiser to explain during that call. That's because I don't think it could have known how many companies would be involved, and Mr T was keen to end the call. Also it's common, even where consumers claim on their own policies for a number of companies to be involved. That's because, depending on the insurer, the nature of the claim and the cover provided by the policy, some insurers will use third party claims handlers, solicitors, approved repairers, hire car companies, etc. So I don't think Be Wiser could be expected to predict how many companies may or may not be involved.

my final decision

For the reasons set out above I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr T to accept or reject my decision before 22 February 2020.

Joe Scott
ombudsman