

## **complaint**

Miss W complains that Be Wiser Insurance Services Ltd didn't cancel her car insurance policy when it was asked to. This meant she had to pay the underwriter £261.64 for time on cover.

## **background**

Miss W's Mother, Ms W, has brought this complaint on Miss W's behalf.

On 14 March Ms W called Be Wiser to set up a policy for Miss W over the phone. The policy was due to start on 19 March. The next day she called again to say that they'd decided to stay with their previous insurer, so she wanted to cancel the policy. The adviser Ms W spoke to tried to get her to change her mind but wasn't able to persuade her. It wasn't possible to transfer Ms W through to the cancellation team, so the adviser promised her a call back.

Be Wiser did call back on 17 March but there was no reply and Be Wiser hasn't been able to find any record of a voice mail having been left. Miss W's policy with the insurer she'd decided to stay with started on 18 March. But as the policy Be Wiser had arranged still hadn't been cancelled, that policy started on 19 March.

On 22 March Be Wiser left Miss W a voice message asking her to get in touch to provide some more information about her policy.

By the time Miss W found out that the policy Be Wiser had set up hadn't been cancelled, she had incurred a time on cover charge of £261.64. In addition to that she paid Be Wiser a credit card fee of £15 and an admin fee of £45. Be Wiser said it would waive these charges and refund a further £60. But it refused to reimburse her for the full amount she'd been charged by the underwriter.

The adjudicator recommended that the complaint should be upheld. He asked Be Wiser to refund, with simple interest of 8%, all the money Miss W had paid and pay her a further £50 for the trouble and upset caused. Be Wiser doesn't agree it should have to pay any more than it's already offered.

Be Wiser says that, as Ms W wasn't authorised to deal with the policy on Miss W's behalf, it couldn't have cancelled the policy on her say so anyway. It also argues that it should have been obvious from the voice mail it left on 22 March that the policy was still running.

## **my 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 was happy for Ms W to set up the policy on behalf of her daughter. If it took the view that only Miss W could cancel it, I would have expected the adviser she spoke to on 15 March to explain this. But that didn't happen. Ms W gave a clear instruction. No one queried her authority and I think by the end of the phone call Ms W had the reasonable expectation that the policy would be cancelled and that, if there was any problem in doing this, Be Wiser would get in touch.

I don't think the voice mail left on 22 March takes matters further forward. The request for Miss W to call back with some further details about her car insurance policy wouldn't

necessarily have alerted her to the fact that the clear instruction Ms W had given a week earlier, hadn't been acted on. It's more likely that, having the reasonable expectation that the policy had been cancelled in line with Ms W's instruction, Miss W assumed the call had been made by mistake. The fact that she didn't respond to the request to call back is hardly surprising, given that she had no reason to think the policy was still running.

Be Wiser knew from 15 March that Miss W wanted to cancel a policy that was due to start on 19 March. There should have been plenty of time to put a stop on the policy. It didn't do so and the policy then came into effect, incurring a significant time on road charge from the underwriter. So I think the adjudicator's recommendations are fair and reasonable. They put Miss W back in the position she would have been in, if Be Wiser had done what it was asked to do on 15 March. The award of £50 for trouble and upset is modest but recognises the inconvenience this episode has caused.

### **my final decision**

I uphold the complaint. I require Be Wiser Insurance Services Ltd to refund Miss W:

- £15 credit card charge;
- £45 admin fee;
- £261.64 charge made by the underwriter for time on cover;

and to pay Miss W simple interest of 8% a year on the above amounts from 15 March 2016 until settlement of the complaint, along with £50 for trouble and upset.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss W to accept or reject my decision before 20 April 2017.

Melanie McDonald  
**ombudsman**