

complaint

Mr B's complained that Be Wiser Insurance Services Ltd incorrectly advised him to buy additional security for his motorcycle so he'd be covered under his motorcycle insurance policy.

background

Mr B bought a new motorcycle after his was stolen. Be Wiser (his broker) tried to put the new motorcycle on his policy but wasn't able to as it didn't meet the security requirements. Be Wiser called the insurer to ask what was needed. The insurer said the motorcycle needed "*some kind of security*" and told Be Wiser to check on the list to see what was required.

Be Wiser said it checked the list and told Mr B to fit the only security option that the insurer's system would agree to – an identification marker. Mr B didn't want to fit an identification marker. He said his previous motorcycle had been stolen despite having one and he wanted to get something that would mean his motorcycle was more secure.

Be Wiser spoke to the insurer over the next couple of days and the insurer confirmed Mr B needed this particular security device. Mr B had the device fitted on his motorcycle but complained to Be Wiser about it. He wanted to know why his policy documents didn't say he needed this.

Be Wiser said it had checked the list and this particular device was the only one allowed. It said the insurer had also said this was needed and it wasn't able to override the insurers system. It also asked the insurer why the policy documents didn't show what was needed. The insurer told Be Wiser it didn't actually require an identification marker and that other types of security would have been acceptable.

Be Wiser didn't think this was its fault but waived the £47.29 administration fee it had charged Mr B for adding the new motorcycle to his policy. Mr B didn't think this was enough and brought his complaint to us.

Our investigator recommended Mr B's complaint be upheld. She said the insurer told Be Wiser the motorcycle needed some sort of security device but not that specific one. She thought Mr B had been forced into buying a security device he didn't want when he would have bought a different one. She thought Be Wiser should refund Mr B the cost of the security device minus the administration fee it had already waived. She also thought it should add interest to this amount.

Be Wiser disagreed. It said if the insurer hadn't given the incorrect advice after Mr B bought the security device he could have returned it before having it fitted. Mr B said he didn't think he could have returned it as he'd opened the packaging when he received it. Be Wiser still didn't think it was responsible for giving Mr B the wrong advice and asked for an ombudsman's decision.

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've decided to uphold it.

I've listened to the call where the insurer told Be Wiser that Mr B needed some kind of security device and to look at its list to see which would be accepted. Be Wiser has provided some screenshots to show other types of security wouldn't be accepted. But I've also seen an extensive list from the insurer of other types of security measures. And Be Wiser hasn't shown it tried all of these. So on balance I think it's likely other types of device would have been accepted.

I accept the insurer gave Be Wiser the wrong information in subsequent calls and can also see it did its best to find out if Mr B could use a different security device. But by this time Mr B had already bought the device Be Wiser advised. Be Wiser said Mr B didn't have the device fitted for a few days so could have sent it back. It's unclear from the information we have from the supplier whether he could have returned it after opening the packaging but even if he could have done he'd have had the inconvenience of returning it and the cost of postage. So I think it's fair and reasonable for Be Wiser to compensate him for buying something he didn't need.

I've also thought about whether Mr B has suffered a financial loss and considered that if he hadn't bought this particular device he'd have needed to buy a different type anyway. However part of Mr B's original concern with this device was that his other motorcycle was stolen despite having one so he wanted to buy a different type that would be more effective. So I think the fair and reasonable outcome in this particular case is for Be Wiser to refund him for the device he bought so he can use the money to buy the device he wanted.

As Be Wiser has already waived the £47.29 administration cost it was entitled to charge him as a result of changing the motorcycle on his policy, I think it would be fair for it to deduct this from the amount it pays him of £69.45. That means Be Wiser should pay Mr B £22.16. Due to the time Mr B's been without this money Be Wiser should add interest at 8% simple per year from the date Mr B paid for the device to the date it makes payment.

my final decision

My final decision is that I uphold this complaint and require Be Wiser Insurance Services Ltd to pay Mr B £22.16 plus interest at 8% simple per year from the date he paid for the device to the date it makes payment¹.

Be Wiser should pay this within 28 days of us telling it Mr B's accepted my final decision.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr B to accept or reject my decision before 25 April 2019.

Sarann Taylor
ombudsman

¹ If Be Wiser considers that it's required by HM Revenue & Customs to take off income tax from that interest, it should tell Mr B how much it's taken off. It should also give Mr B a certificate showing this if he asks for one, so he can reclaim the tax from HM Revenue & Customs if appropriate.