

## **complaint**

Mr A complains that Be Wiser Insurance Services Ltd did not cancel his motor insurance policy when requested to do so, refunded an incorrect amount of premium to him and he is unhappy about its customer service.

## **background**

Mr A took out a motor insurance policy through Be Wiser underwritten by an insurer. But as he was unable to provide proof of his no claims discount Be Wiser advised him to transfer his business to another insurer taking out a second policy. The first policy was therefore cancelled and, after deduction of the premium owing for the time on risk and an administration charge, the balance was transferred to the new insurer. Mr A was covered by the second policy for about a week when Mr A says he phoned Be Wiser on 28 August 2012 and asked it to cancel the second policy. He did not receive a response. He contacted it again by email about one week later. Be Wiser debited a further payment from his account on 20 September 2012 and he again contacted it and the second policy was cancelled on that day.

Our adjudicator recommended that the complaint should be upheld. In summary, she considered that:

- Mr A had provided proof that he phoned Be Wiser on 28 August 2012. Be Wiser has not been able to provide a recording of that call but Mr A he says he asked it to cancel the second policy. His email of about a week later refers to his phone call when he asked for the policy to be cancelled.
- As such she was satisfied that the policy should be cancelled from 28 August 2012.
- As he was on cover with the first insurer under the first policy it was fair and reasonable that Be Wiser had charged for his time on risk, applied an administration charge as the first policy would have been cancelled in any event and transferred the balance of his paid premium onto the second insurer and policy.
- He was also on cover under the second policy for a short time. As he had cancelled the policy within its cooling off period Be Wiser could not charge its cancellation fee or non-refundable arrangement fee. But its minimum premium was a penalty and more than the actual charge for the time on risk. So Be Wiser should only deduct the actual charge for the time on risk.
- Overall, Be Wiser should refund the sum of £253.44 plus interest of 8% simple a year from 28 August 2012.
- Mr A had also had to contact Be Wiser on a number of occasions. He did not always receive a response, was given conflicting information and it took a further payment from his account on 20 September 2012 after he had asked to cancel the policy. He was also threatened with debt collection action and that this might affect his credit rating. He had received poor customer service and suffered distress and inconvenience. So Be Wiser should also pay Mr A compensation of £150 for this.

Be Wiser does not agree. In summary, it says that although Mr A has evidence that a call was made to it on 20 August 2012 this does not verify he spoke to an agent or requested the

cancellation. It is also not that Be Wiser cannot locate the call but that it has no recording of a call on that date. It did not have any instruction from Mr A to cancel the policy until it received the notification letter from the DVLA that he had sold the vehicle.

### **my findings**

I have considered all the available evidence and arguments to decide what is fair and reasonable in the circumstances of this complaint.

Where the evidence is incomplete, inconclusive, or contradictory (as some of it is here), I reach my decision on the balance of probabilities – in other words, what I consider is most likely to have happened in the light of the available evidence and the wider circumstances.

Having done so, I consider, on balance that it is more likely than not that Mr A asked Be Wiser to cancel the second policy when he phoned on 28 August 2012.

Overall I agree with the conclusions, opinion and recommendations of the adjudicator except in one minor respect. I note that £114.77 was actually debited from Mr A's account on 20 September 2012 and as such I consider that interest on that part of the refund should only be paid from that date not from the earlier date of cancellation of 28 August 2012. That aside I see no compelling reason to change the proposed outcome and award in this case.

### **my final decision**

My final decision is that I uphold this complaint. In full and final settlement of it, I order Be Wiser Insurance Services Ltd:

1. To refund to Mr A the sum of £253.44;
2. To pay Mr A interest at the rate of 8% simple a year on the sum of £138.67 from 28 August 2012 until the date of settlement;
3. To pay Mr A interest at the rate of 8% simple a year on the sum of £114.77 from 20 September 2012 until the date of settlement; and
4. To pay Mr A £150 compensation.

Stephen Cooper  
**ombudsman**