

complaint

Mrs Q complained that Be Wiser Insurance Services Ltd chased her for payment of premiums under her motor insurance policy that she'd already paid.

background

Mrs Q allowed her friend to arrange her car insurance policy for her. She said that she gave him the money to pay her annual policy premium up front.

But instead her friend set up the premium to be paid by monthly direct debits from her account. Mrs Q said she hadn't known that, though she did authorise Be Wiser to deal with her policy and gave her friend her banking details to use. Her friend then cancelled the direct debits. When Be Wiser chased Mrs Q for non-payment of the monthly direct debits, she couldn't understand why.

Be Wiser agreed to write off Mrs Q's debt. The investigator agreed with this but thought that Be Wiser had taken too long to do so. He recommended that Be Wiser pay Mrs Q £100 in compensation for that.

Mrs Q agreed with this, but Be Wiser disagreed and so her case was passed to me to decide. I issued a provisional decision on 27 November 2017 saying that I didn't intend to uphold her complaint as I didn't think that Be Wiser had done anything wrong.

my findings

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

It's accepted that Mrs Q authorised her friend to set up her policy with Be Wiser and use her banking details. So, as far as Be Wiser were aware, Mrs Q had agreed to pay for her policy via monthly direct debit.

But she said that she'd paid her friend the whole annual premium in advance, and she told Be Wiser this from January. She also cancelled her policy. But although Be Wiser sent her chasing letters and calls about the outstanding amount of about £300, she said they also told her to just ignore them. I can see that Be Wiser did by mistake tell Mrs Q in March and April that she'd paid in full, and so they were perhaps giving her mixed messages then. But I still don't think that makes what happened Be Wiser's fault. When her friend took out the policy Mrs Q phoned them and authorised them to deal with her friend, and she gave her friend her bank account details. Be Wiser weren't to know what arrangement she had with her friend about the premium payment and they weren't responsible for it. As far as they were concerned, Mrs Q did owe them the policy premium.

However Be Wiser did sympathise with Mrs Q so they agreed not to chase her for the £300 and to write off all her debt. The investigator agreed with this but also felt that Be Wiser should have done this about 5 months earlier, and so should pay Mrs Q compensation of £100 for her distress and inconvenience over this time.

Be Wiser didn't agree. They said that it wasn't they who'd caused Mrs Q the trouble and upset – it was her friend who'd caused it. They'd actually helped her resolve it, despite the unusual circumstances and the absence of any other proof than Mrs Q's account of events.

They felt it was reasonable of them to take time to investigate the circumstances first and be confident that what Mrs Q was saying was true.

I thought that Be Wiser had acted fairly in writing off her Mrs Q's debt. They were under no obligation to do so because she'd authorised her friend to act for her, and they had no other proof of the premium payment arrangement Mrs Q said she had with her friend.

And though I could see that Mrs Q had found the situation stressful, I didn't think that this was Be Wiser's fault. Be Wiser sorted the situation out, when they didn't have to. And I didn't think it was unreasonable if they took some months to investigate this before deciding.

So overall I didn't uphold the complaint and I didn't require Be Wiser to pay Mrs Q any compensation.

Since receiving my provisional decision, Mrs Q hasn't commented and Be Wiser have said they don't have any other comments. So I don't see any reason to change my view.

my final decision

For the reasons I've given above and in my provisional decision, it's my final decision that I don't uphold this complaint.

Rosslyn Scott
ombudsman