

complaint

Mr A's complained that Be Wiser Insurance Services Ltd removed the option for him to drive other cars when he renewed his motor insurance policy through them.

background

Mr A bought his motor insurance policy through a broker, Be Wiser for the past three years. For the two years before, he had the option to drive other cars under his policy. Last year he called it before his policy was due for renewal to get a quote. Be Wiser renewed his policy – but the policy didn't insure Mr A if he drove other cars.

Mr A was later stopped by police for driving without insurance. The car he was driving was impounded and he received a fine and points on his licence.

Mr A complained to Be Wiser because he thought he had insurance to drive other cars. He said when he called them to renew his policy he asked to have the same details as before.

Be Wiser didn't think it had done anything wrong. It said because Mr A didn't specifically ask for this benefit when he renewed his policy, it got the most competitive quote for him. And it sent his policy documents to him which explained he was excluded from driving other cars under the policy. It said it could provide a letter for him to pass to the police to say that he previously had this benefit so Mr A believed he was insured to drive other cars.

Mr A remained unhappy and so he brought his complaint to us. In addition to the consequences of being stopped by the police, Mr A was no longer able to hire a car for the next four years from a hire car company he regularly used. He said he used a hire car to visit his mother who is unwell.

The adjudicator who investigated it thought Be Wiser hadn't been fair to Mr A. When Mr A called Be Wiser, he said he had found cheaper quotes but he wanted to keep his insurance the same. The adjudicator thought Be Wiser should have told Mr A when he called that the most competitive quote it had – which he bought – didn't include cover to drive other cars.

So she recommended Be Wiser do the following:

- Pay Mr A £500 for the trouble and upset it caused him.
- Write a letter of indemnity for Mr A to see if he could get the points removed from his licence.
- Pay any costs incurred for the car being impounded and any fines Mr A has had to pay.

Be Wiser didn't agree. It said it did enough when Mr A called to renew his policy - as driving other cars isn't a material change. As Mr A didn't specifically raise it, and it was in his policy documents that it was excluded, it acted correctly. It doesn't agree that the majority of insurers provide this benefit as standard.

I then issued a provisional decision on 19 April 2016. I agreed with the adjudicator's recommendations, but I thought Be Wiser should also pay Mr A a further £500 if he wasn't able to get the points removed from his licence.

Mr A accepted my provisional decision. Be Wiser didn't. It said it wasn't solely responsible for the consequences of Mr A not being insured to driver other cars. It was also Mr A's responsibility to read his documents when he got them. It offered to pay half the costs Mr A has incurred as a result of being stopped by the police – and it will liaise with the police authorities as it previously offered.

So the matter has been passed back 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 intend to uphold it for the same reasons I gave in my provisional decision.

Be Wiser believes some responsibility falls with Mr A as his policy said it excluded him from driving other cars. But I think Mr A was clear in his call about what he wanted. So I don't think Be Wiser was fair to him by removing the option he previously had without telling him in the call.

The key statements from the call transcript between Mr A and Be Wiser are the following:

Mr A: "I've been with you now for two years so I just want to stay with the same thing."

Be Wiser: "So the renewal premium is based on the data we have for you on file: are you aware of any changes at all?"

Mr A: "No"

Later in the call;

Be Wiser: "Is there anything else that you'd like on the policy that you don't already have?"

Mr A: "No, well I might put my daughter on but I'll leave that for a later date"

I think it was reasonable for Mr A to assume that his insurance would continue to cover him driving other cars, given his request for things to stay the same. And it's also reasonable that he didn't ask to add the benefit toward the end of the call - as he believed he already had it.

Be Wiser says it isn't a material change, so it didn't have to highlight to Mr A that he no longer had it. But I think it is, because the consequences of Mr A driving without being insured was very serious. And as Mr A asked for his insurance to stay the same, I think Be Wiser didn't do enough to make sure he knew the lower priced quote meant the policy wasn't the same and he couldn't drive other cars. Although it was in the policy documents, I think it should have told Mr A the benefit had been removed when he called, so he could decide if he wanted to add it to his policy. For this reason, I don't think its enough for Be Wiser to pay only half of the costs Mr A incurred as a result of being stopped by the police.

I think Be Wiser has been unreasonable to Mr A and it's caused him considerable trouble and upset. So I agree with the adjudicator's recommendations to put things right. If Mr A is unable to get the points removed from his licence, rather than come back to us to reconsider the compensation awarded, I think Be Wiser should pay Mr A a further £500 compensation. This is because his premiums will most likely increase for future insurance as a result of the points, which will cause Mr A further upset. This is subject to evidence from Mr A.

my final decision

For the reasons I've discussed, my final decision is that I uphold this complaint. I require Be Wiser Insurance Services Ltd to do the following:

- Pay Mr A £500 for the trouble and upset it caused him.
- Write a letter of indemnity for Mr A to see if he can get the points removed from his licence.
- If Mr A is unable to get his points removed from his licence, and he shows Be Wiser evidence of that, then Be Wiser should pay him an additional £500 compensation.
- Pay any costs incurred for the car being impounded and any fines Mr A has had to pay.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr A to accept or reject my decision before 7 July 2016.

Geraldine Newbold
ombudsman