

complaint

Mr and Mrs H complain about the service and cancellation fees charged by Be Wiser Insurance Services Ltd when they attempted to set up insurance cover for their second car online.

background

In March 2016 Mr and Mrs H set up the policy using a price comparison website. They did not ask for a no claims discount (NCD) as this was their second vehicle and they correctly assumed they wouldn't be eligible for an NCD.

On 24 March Be Wiser sent Mr and Mrs H a welcome letter. The letter said their premium had been calculated on the basis that they had a 9 year NCD. It asked them to send in proof.

Mr H says he rang Be Wiser to explain the situation and that the adviser he spoke to reassured him that everything was in order. Mr H says they then received what he describes as a '*contradictory*' series of emails from Be Wiser, culminating in an email on 11 April telling them that the policy had been cancelled and that it would take 60 days to process any refund they were entitled to.

Mr H says he again phoned Be Wiser and spoke to an adviser who seemed unsure whether the policy had been cancelled but who told him they would only be entitled to a refund of £87 out of the £272.33 they'd paid.

Mr H says he first complained to Be Wiser by email on 12 May but, when he hadn't had a response by June, he decided to bring the complaint to this service.

The adjudicator recommended the complaint should be upheld. He asked Be Wiser to give Mr and Mrs H a full refund less £17.97 for the time they'd had cover and to pay them £50 for the trouble and upset this episode had caused.

Be Wiser has asked for an ombudsman to review the case. It doesn't agree that it should give Mr and Mrs H a full refund. It argues that it repeatedly tried to contact Mr H and left messages for him to call back but he didn't do so. Be Wiser says it acted correctly throughout the life of the policy.

my findings

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

I'm satisfied that the problem in this case arose because of an initial mistake by Be Wiser. The screen shot setting out the data on which Mr and Mrs H's application was based shows an NCD of zero. Be Wiser's letter of 24 March incorrectly refers to an NCD of nine years. I'm satisfied that Mr H took reasonable steps to put this error right.

In the email Mr H sent to Be Wiser on 12 May, he set out in some detail his attempts to sort out the confusion. I accept that this email provides an accurate account of what happened. It is clear and detailed and written at a time when Mr H was still trying to resolve matters with Be Wiser. So I'm satisfied that, when Mr H saw that the letter of 24 March was asking for evidence of a nine year NCD, he contacted Be Wiser to explain the situation. I also accept

that he phoned again, having received the letter of 11 April warning that the policy would be cancelled in seven days if Be Wiser didn't receive the proof of NCD.

This is consistent with Mr H's description of the information he was receiving from Be Wiser as contradictory. On the one hand he'd been reassured on two occasions that the correct information about the NCD (or lack of it) had been recorded. On the other, he was receiving emails chasing him to provide proof of an NCD that he didn't have and had never told Be Wiser he had.

I have listened to the recordings that Be Wiser has sent. I accept that messages were left on Mr H's voice mail. The messages left from time to time in April all follow the same format. The adviser asks Mr H to get in touch to answer a couple of questions about his NCD/driving history. On one occasion no message was left at all.

The recording of the message Be Wiser has sent, which it says was left on 6 May, is in fact a copy of the message left on 13 May after Mr H had sent his email of complaint. It asks him to get in touch with the complaints handler. So I'm not persuaded that a message was left on 6 May.

In any event, none of the messages explains that the policy is at risk of cancellation. Even the messages sent the day before and the day after the policy was cancelled (18 and 20 April) make no reference to the cancellation, but only ask Mr H to answer questions about his driving history. This suggests that Be Wiser was still unclear as to whether the policy was being cancelled or not. This is consistent with Mr S's description that the adviser he spoke to, after receiving the letter of 11 April, wasn't sure whether the policy had been cancelled. I think the initial confusion over Mr and Mrs H's NCD status continued, despite Mr H's efforts to sort it out.

So I can't agree that the problem arose because Mr and/or Mrs H didn't respond to Be Wiser's reasonable requests for information. The requests were based on the mistaken assumption that Mr and Mrs H were claiming a nine year NCD when they were not. The requests were made regardless of Mr H's efforts to put the record straight. When Be Wiser gave written notice of its intention to cancel the policy, Mr H contacted it to explain the situation. It appears that no record was kept of this call, but I'm satisfied that Mr H made it.

Be Wiser draws a distinction between an NCD and a claim free driving history, but it isn't one that was ever explained to Mr and Mrs H.

I also accept that Mr H made numerous attempts to speak to Be Wiser in May 2016 leading to the complaint he lodged on 12 May and his email of 14 May asking that, in view of the difficulty he had experienced in getting through to an adviser, Be Wiser should respond to his complaint in writing.

Taking all this into account I think it's both fair and reasonable to ask Be Wiser to refund the premium. Mr and Mrs H should pay £17.97 for time on cover. I accept that Mr and Mrs H paid £272.33 so they are entitled to a refund of £254.36, along with simple interest of 8% a year. Be Wiser should also remove any record of the cancellation from the insurance data bases.

I accept trying to sort out what was happening with the policy and then dealing with the cancellation was frustrating and inconvenient for Mr and Mrs H. I consider an award of £100 for trouble and upset is appropriate on the facts of this case.

my final decision

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

- Reimburse Mr and Mrs H the sum of £254.36 along with simple interest of 8% a year from the date the premium was paid until the date of settlement;
- Remove any record that the policy was cancelled from both internal and external data bases and provide Mr and Mrs H with written confirmation this has been done within 14 days of this decision being published;
- Pay Mr and Mrs H £100 for trouble and upset.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr and Mrs H to accept or reject my decision before 8 December 2016.

Melanie McDonald
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