

complaint

Mr and Mrs C complain that Be Wiser Insurance Services Ltd didn't warn them it was about to cancel the motor insurance policy on the vehicle Mr C had insured through Be Wiser. They would like Be Wiser to waive the premium and halt action to recover the debt of £193.20.

background

Mrs C has represented Mr C in bringing this complaint to us.

The policy started on 24 December 2016. There was an initial query about the type of vehicle. Be Wiser wrote to Mr C about this on 28 December 2016. He called in on 4 January to clarify the situation. The insurer accepted the explanation provided but asked to see the V5 registration document.

Be Wiser says it wrote to Mr C about this on 18 and 21 January 2017 and sent follow up letters on 1 February and 10 February warning Mr C that, if it didn't receive the V5, the policy would be cancelled. It also spoke to Mr C on 11 February. When it still hadn't received the V5 on 18 February it cancelled the policy.

Be Wiser waived its commission on the policy and reduced the charge for time on cover by £44. Having deducted a set up charge of £65 and cancellation fee of £75, it sent Mr C a refund of £163.68.

However Mr and Mrs C didn't think they should have to pay anything, so they arranged a chargeback for the £193.20 that had been retained. Be Wiser says they still owe the money and that it is entitled to take action to recover the debt.

Mrs C says Be Wiser didn't set a deadline for the V5 to be sent in and that she forwarded it in February. She says they didn't receive any of the letters Be Wiser says it sent, so she queries whether they were only sent by email. If that's what happened she says Mr C wouldn't have received them because he lost access to his email account in January. She says Mr C told Be Wiser about this at the time. Mrs C also argues that any outstanding debt should be offset against money owing from a previous 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.

Mrs C says it's up to Be Wiser to prove it posted rather than emailed letters to Mr C. In response Be Wiser has sent us a screen shot regarding the letter of 10 February, setting the final deadline. It says the letter 'P' beside the word 'Delivery' denotes the letter was posted. I accept that evidence. I think it's unlikely that it would have been recorded in this way if a letter hadn't been sent. I don't agree that Be Wiser needs evidence from the Post Office to show the letters were sent. It wouldn't be practicable to expect it to be able to obtain such evidence, given the large number of letters that it sends out.

In any event Be Wiser spoke to Mr C on 11 February. There isn't a recording of the call but I'm satisfied that the urgent need for the V5 and the consequence of not sending it in was explained to Mr C during that conversation.

Mrs C says that Mr C informed Be Wiser that he had accidentally locked himself out of his email account in January. Be Wiser says it has no record of this and that when it called Mr C on 4 January it was to ask how many seats there were in the vehicle. If Mr C had accidentally locked himself out of his email account in January, I would have expected this to be a temporary problem and that, if his email address had changed as a result, he would have updated Be Wiser. In the absence of any evidence of a permanent problem that Mr C notified Be Wiser of, I think Be Wiser was entitled to work on the basis that Mr C would receive any emails it sent.

Mrs C has sent us the copy of an email dated 26 February with the V5 attached using her email address. By then the policy had already been cancelled. She sent a further email on 7 March again attaching a copy of the V5 and querying why the policy had been cancelled. Again by this time it was too late and the policy had already been cancelled.

It is not clear to me why, having spoken to Be Wiser on 11 February 2017, the V5 wasn't sent until 26 February.

In any event I'm satisfied that between January and 18 February 2017, Be Wiser made repeated attempts to request the V5 from Mr C and warned him on more than one occasion that, if it wasn't received, the policy would be cancelled. So I find that Be Wiser was entitled to cancel the policy.

I also accept that the charges Be Wiser added to the policy were reasonable and in line with its terms and conditions. It waived its commission on the policy and the underwriter's charge for time on cover was significantly reduced from £90.20 to £44.30.

It follows that I can find no reason to ask Be Wiser to revisit the cancellation of the policy or reduce further the amount Mr C must pay to clear the outstanding debt following the chargeback.

my final decision

I do not uphold the complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr C to accept or reject my decision before 2 January 2018.

Melanie McDonald
ombudsman