

complaint

Mrs A has complained that UK Insurance Limited failed to allow her correct no claims discount (NCD) throughout her time on cover or to provide her correct NCD when she moved car insurance. Mrs A has also complained about the poor service she received.

background

Mrs A's policy was cancelled and when she moved to a new insurer she believed that UK Insurance did not provide her with the correct NCD. UK Insurance maintains that when her policy was first incepted Mrs A did not provide proof of her NCD despite its numerous requests and increased her premium accordingly. Mrs A states that she did not receive any correspondence in relation to her NCD and so was unaware of the position.

Mrs A was chased by a debt collection agency due to outstanding premiums owed and is unhappy as she feels that UK Insurance overcharged her premium during her time on cover. Mrs A was distressed by this and by the poor service she received and complained to this service.

Our adjudicator concluded that UK Insurance had not acted unreasonably as he was satisfied that it had sent four letters to Mrs A requesting proof of her NCD and explaining that her premium would have to be increased without it. Although he accepted that there was some evidence of poor service he was of the view that UK Insurance had acted reasonably in offering £150 compensation and waiving the outstanding debt of approximately £65 which had led to the debt collection company sending her letters.

As Mrs A did not agree, maintaining that UK Insurance had over charged her causing a debt collector to chase her for an outstanding debt and delayed in replying to her, the matter has been escalated to me for a final decision.

my findings

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

The issue for me to decide is whether UK Insurance acted unreasonably in increasing Mrs A's insurance premium as Mrs A did not provide proof of her nine years NCD entitlement and whether it provided poor service.

Mrs A took out her policy on line in July 2009 and intimated that she had nine years NCD. As this was not provided UK Insurance wrote out to Mrs A on four separate occasions in July and August 2009 and has provided a system note in support of its position. Mrs A informed UK Insurance that she was due to move address at the end of August 2009 and it updated its systems. At the beginning of September 2009 UK Insurance received a letter confirming that Mrs A had one years NCD, as opposed to nine, and updated its system and amended Mrs A's direct debit details accordingly.

On balance, I am satisfied that UK Insurance sent four letters to Mrs A requesting clarification of her NCD and that it acted reasonably in increasing her premium following confirmation that she had one years NCD, as opposed to nine. I note that Mrs A states that she did not send the confirmation of one years NCD. However, I have not been provided with any evidence to show that Mrs A had anything more than one years NCD at that time. I

am satisfied that UK Insurance acted reasonably in increasing her premium in line with her NCD and I am satisfied that it communicated the position to Mrs A, who did not dispute the increase in premiums or her NCD position at renewal.

Finally, I agree that UK Insurance provided poor service, delayed in responding to Mrs A's concerns and addressed her incorrectly in its correspondence. I agree with the adjudicator that £150 compensation, in addition to waiving her outstanding debt, is fair and reasonable and in line with awards that this service would generally make.

my final decision

It therefore follows, for the reasons outlined above, that I do not uphold Mrs A's complaint as UK Insurance Limited's offer of compensation is fair and reasonable. I simply leave it to Mrs A to decide whether, on reflection, she wishes to accept the offer.

Colin Keegan
ombudsman