

complaint

On behalf of the estate of the late Mr C, Mrs C complains that Be Wiser Insurance Services Ltd provided poor service following the cancellation of his motor insurance policy.

background

Mr C passed away in August 2015. Mrs C called Be Wiser on 1 September 2015 to cancel the policy and obtain a refund. She provided a death certificate on 21 September 2015, as required, and the policy was cancelled two days later.

Mrs C had been told the refund could take up to 60 days. In November 2015 Be Wiser tried to issue it, but when there was a problem with that it didn't tell Mrs C. She had to call it to query where the refund was on 2 January 2016. A cheque was issued a few weeks later. It was made out to the executors of Mr C's estate, although Mrs C had told Be Wiser there weren't any executors. Her bank told her there was likely to be a problem with the cheque as a result.

Mrs C says Be Wiser asked to speak to Mr C even after she'd sent in the death certificate. It sent at least one letter and two emails addressed to him after that date. Mrs C was upset by that. She also thought the refund should have been more than it was.

Our adjudicator thought Be Wiser had caused Mrs C distress as well as inconvenience. She thought it should pay compensation for its general poor service. She also thought it should only charge for time on cover under the policy and pay interest on the refund.

Be Wiser said it didn't think its service was poor. As there was no agreement, the complaint was passed to me for review.

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 think Be Wiser made errors in dealing with the cancellation. It should have contacted Mrs C when the refund didn't go through. Instead she was left not knowing what was happening until she queried it. The cheque wasn't issued until some two months after the estate should have had it. Mrs C then faced a potential further problem, as it was made out to the wrong payee.

On top of that, it seems Be Wiser's advisors asked to speak to Mr C after it had received the death certificate. Mrs C also received correspondence addressed to Mr C at that point. It wasn't until 29 January 2016 that she was assured Be Wiser's records had been amended to show Mr C was deceased.

I think it's frustrating for anyone to deal with a lack of contact, delay and errors. In this case, it was a very difficult time for Mrs C, so I think she had an especially stressful experience.

Be Wiser's said it appreciates the sensitivity around the loss of a spouse. It says its advisors didn't intend to offend or upset Mrs C. Whilst I'm sure that's true, nonetheless errors were made. Attempts were made to communicate with Mr C when Be Wiser was aware that wasn't possible. We're not able to award compensation for trouble and upset to an estate or

its representatives. Mrs C's been made aware of that and accepts it. But there's nothing to stop Be Wiser making a payment to Mrs C for the undoubted distress she was caused by it.

Be Wiser didn't refer to the premium refund in its response to the adjudicator's view. It hasn't given us a breakdown of what it charged or what the cancellation fee was. The adjudicator suggested that Be Wiser should only charge for the time Mr C was covered by the policy, plus a reasonable cancellation fee of no more than £50. She said it should pay interest on any sum that needed to be refunded to the estate. She also said it should pay interest on the refund it's already paid, from the date of cancellation to the date the cheque was issued in January 2016. As Be Wiser didn't comment, I assume it agrees with all that. I think the adjudicator's suggestions were fair and reasonable in the circumstances.

On behalf of the estate, Mrs C had to chase Be Wiser about the refund more than once, so she made several calls to Be Wiser that shouldn't have been necessary. I don't think the estate should be left with the cost of these calls. Be Wiser only provided us with a summary of its file, so it's not possible for me to assess the incoming calls from Mrs C. In the circumstances I think it would be fair and reasonable for Be Wiser to pay the estate a nominal sum towards the cost of the calls.

my final decision

My final decision is that I uphold this complaint. I require Be Wiser Insurance Services Ltd to do the following:

- Pay interest to the estate on the premium refund already made, at the yearly rate of 8% simple, from the date of cancellation to 29 January 2016
- Refund any amount due to the estate after charging for time on cover, plus a cancellation fee of no more than £50
- Add interest at the yearly rate of 8% simple to the sum above, from the date of cancellation to the date of settlement
- Pay the estate £10 towards the calls Mrs C made on its behalf

HM Revenue & Customs requires Be Wiser to take tax off the interest paid. It must give Mrs C on behalf of the estate a certificate to say how much is taken off if she asks for it.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs C, on behalf of the late Mr C's estate, to accept or reject my decision before 25 July 2016.

Susan Ewins
ombudsman