

The complaint

Mr T has complained about Cia Insurance Services Limited's (Cia Insurance's) administration of one of his insurance policies. Mr T doesn't believe the compensation offered is sufficient to make up for Cia Insurance's failings.

What happened

Mr T was given a customer reference number by Cia Insurance that he wasn't happy with. He told Cia Insurance that he would use the postcode of the property as his reference number in the future. He said that a call handler at Cia Insurance said they would pass that information on to the finance department but when he phoned back he found that they had not done so.

Our investigator looked into what had happened and while she couldn't explain why his message hadn't been passed on, she had obtained clarification about Cia Insurance's process for changing the reference number. Cia Insurance confirmed that a reference number could be changed when a policy came up for renewal. With regard to the five live policies Mr T has with Cia Insurance, as long as he contacted them shortly prior to renewal, Cia Insurance said it could generate a new customer reference number (CRN) for Mr T, however that would involve cancelling and reinstating the policies and the number would be generated by their computer system, not manually inputted. Our investigator said that she was persuaded by Cia Insurance's explanation of why it would be particularly complex and difficult to change the CRN during an active policy and she felt that their offer to change the CRN at renewal was fair.

Mr T was also unhappy about a delay in issuing his policy documentation. The policy in question was inception on 16 August 2023, however the full documentation wasn't issued to Mr T until 23 August 2023 as they were unable to see whether the premium had been paid.

Mr T was also unhappy that Cia Insurance initially referred to the property as being constructed with bricks. However, our investigator was satisfied that Cia Insurance had promptly written to Mr T to clarify it was aware of the property's non-standard construction and would cover it anyway. Our investigator thought that Cia Insurance's offer of £5 compensation, for the short delays, and a further £5 for the delay in issuing the first cheque for £5 was adequate.

Mr T didn't accept our investigator's view. He said that when he took out the policy he told the call handler that he would pay for the policy by faster payment straight after the call and he used the postcodes for both policies as a reference. He then received no response for a number of days before Cia Insurance's finance department emailed him to say that the policies would be cancelled if no payment was made. Mr T then informed Cia Insurance that he had made the payment on the date of application, 16 August 2023.

Mr T requested an ombudsman's decision on his complaint.

What I've decided – and why

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

In response to Mr T's complaint about the delay in acknowledging his payment, in the final response letter dated 4 October 2023, Cia Insurance said that the delays were caused by Mr T not including his CRN with the payment. Cia Insurance asked that Mr T include his CRN on any correspondence or payment information as they were unable to search for his account using his rental property address / postcode.

In response to Mr T's complaint about Cia Insurance's refusal to change his CRN, they have pointed out that Mr T first purchased four policies in November 2016, when he was assigned his CRN without complaint. Mr T then renewed/rebroke or inceptioned 24 further policies (including five live policies two of which were renewed with the same reference), but he has only recently complained about his CRN.

When considering compensation, I first need to be satisfied that the business has done something wrong. If they have, then I will consider the impact of any error on the customer, and whether compensation is required to put things right.

In Mr T's case, I don't think CIA Insurance have done anything wrong in either assigning him a CRN which is computer generated, or in only agreeing to change that number on renewal. So, I don't think Cia Insurance needs to do anything more here. And in any event, even if I thought Cia Insurance had done something wrong, when considering the impact of not changing Mr T's CRN for him mid-term, I would be mindful of the fact that he doesn't appear to have been caused distress by having this CRN assigned to him, over the last eight years, up to the point that his complaint was made.

With regard to Mr T's complaint about the delay in locating his premium payment, in such a large organisation, for administrative efficiencies, Cia Insurance relies on customers including their unique CRN number on payments or correspondence to facilitate prompt processing of the payment or information. If a customer decides not to include that reference number, and instead includes their own reference number, that is likely to lead to a delay in the information being assigned to the correct customer account, and in this case, a delay in the policy documents being issued. However, given it was only a short delay of a week that Mr T suffered, I don't think the impact of Cia Insurance's actions on Mr T requires compensation to be paid.

Lastly, with regard to Mr T's complaint about his property being incorrectly described, as Cia Insurance wrote to him the next day to clarify that it was aware of the non-standard construction of his property, and that it would still offer cover for the building, again I don't think the impact of Cia Insurance's actions requires Mr T to be compensated. In any event, Cia Insurance has offered Mr T some compensation for the inconvenience he's experienced.

For the reasons given, as Cia Insurance's actions didn't have any adverse consequences for Mr T, I don't uphold this complaint.

My final decision

My final decision is that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr T to accept or reject my decision before 17 December 2024.

Carolyn Harwood
Ombudsman