

complaint

Ms R complains about the way Swinton Group Ltd set up and cancelled her motorcycle insurance policy.

background

Ms R went onto a price comparison website to get quotes for a motorcycle insurance policy. She says she input details of two speeding offences. She decided to go ahead with Swinton's quote and was directed onto its website. But the Swinton website showed only one offence. She says she therefore added details of the second offence.

When Ms R received her policy documents only one speeding offence was shown. She contacted Swinton to correct this. It said she would have to pay an additional premium. Ms R didn't agree. She said she'd provided the relevant information when she applied for the policy. Swinton cancelled the policy and made a refund of some premium to her. Ms R remains unhappy with the situation.

Our adjudicator felt the complaint should be upheld. He hadn't seen a report from the price comparison website showing what information Ms R had input. But he thought it unlikely she wouldn't have entered the most recent speeding offence. Swinton had set up the policy on the basis of only one speeding offence. This was most likely as a result of an error occurring in the transfer of information from the price comparison website to Swinton. In accepting business in this way Swinton must accept responsibility for any such errors. He also felt Swinton's documents weren't sufficiently clear about what needed to be disclosed. So, it wasn't reasonable for an additional premium to be passed onto Ms R. She should only be charged a proportion of the original premium for the time she was on cover until the policy was cancelled. She should therefore be refunded an additional £35.30 and paid £50 compensation for the distress and inconvenience caused by being asked for an additional premium.

Swinton doesn't agree. It says it's not the price comparison site and doesn't have access to its systems. There were no system issues. Ms R shouldn't be given the benefit of the doubt. It's the price comparison website's fault.

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 agree with the conclusions reached by our adjudicator for broadly the same reasons.

Ms R says she entered the second offence onto the price comparison website but some data didn't transfer correctly to the Swinton site. I think this was most likely the case. Although Swinton isn't the price comparison website, I agree with the adjudicator that it nevertheless has to accept responsibility for any such problems. Swinton also hasn't shown that Ms R didn't add the second offence onto its website.

Overall, I don't think Swinton has shown that Ms R didn't disclose the second speeding offence when she applied for the policy. So, I think the adjudicator's recommendations are a reasonable resolution of this complaint. But I also think Swinton should pay interest on the additional refund of premium.

my final decision

For the reasons I've discussed above my decision is that I uphold this complaint and I require Swinton Group Ltd:

1. To make an additional refund of £35.30 to Ms R plus simple interest on it at the rate of 8% a year from the date Ms R paid the premium until the date of settlement; and
2. To pay Ms R £50 compensation for the upset and inconvenience caused.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms R to accept or reject my decision before 18 May 2015

Stephen Cooper
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