

## **The complaint**

Mr R, the policyholder and his mother Mrs R, a named driver on the policy have complained that Brightside Insurance Services Limited trading as Brightside misquoted them for a premium for a new car to be added mid-term to the motor policy. This induced Mr R to buy this new car. However, the actual premium was higher than expected.

Mrs R is dealing with this complaint on behalf of Mr R so where possible I shall just refer to her.

## **What happened**

Mr R bought a policy with Mrs R as the named driver through Brightside an insurance intermediary. On 4 December 2023, some months into the policy year which would expire on 28 April 2024, Mrs R phoned up Brightside to discuss what the premium might be if her son changed the car to a new specific car on the policy. She was told there would be no change to the premium price but there would be a £35 admin charge. Mr R's annual premium would consequently remain at £3,692.39.

Later that same day Mrs R called back to discuss adding in yet another different car. Brightside told her that particular car would be refused. However, it told Mrs R the quote for the previous new car she had discussed was still live and available for five days. So, on this basis Mr R bought his new car and Mrs R phoned Brightside again on 8 December 2023 to add this car to the policy on the basis of the quote she had been given on 4 December (showing no change in premium and an admin charge of £35) removing the original car insured. It was then Mrs R was told there was a system error with the quote and the annual premium for the change of car would now be £6,687.93 so increasing the monthly premium amounts substantially.

Mrs R then asked to speak to a manager to sort it out. She was put on hold several times. This caused her to miss a family get together at her mother's graveside since it was the anniversary of her mother's death.

Brightside ignored Mrs R's distress at keeping her on hold missing this family event, and as regards the premium for Mr R's new car it offered him £25 compensation. It explained there was a system error before and the premium increase now quoted was correct.

As Mr R had already bought the car on the basis that the actual premium wouldn't rise, he felt he had no option but to accept the quote which has now caused considerable financial hardship to him as affordability, given he is a young driver, is essential. Dissatisfied Mr R and Mrs R brought their complaint to us. The investigator was of the view that Brightside hadn't acted reasonably. He felt it should pay £850 compensation to Mr R and it should pay Mrs R £100 compensation. Brightside didn't agree. It was only prepared to increase its compensation payment to Mr R to £150 and it agreed £100 to Mrs R.

So, on this basis Mr R and Mrs R's complaint has been passed to me to decide.

## **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.

Having done so I'm upholding this complaint along the lines of the investigator. I'll now explain why.

There's no dispute Brightside had a system error in dealing with this quote which Mr R wanted to accept. However, it had the chance to correct that when Mrs R called for the second time on 4 December to make enquiries about yet another car, and it didn't do so. Instead, it merely confirmed it and it's that bit I find difficult to consider is at all reasonable. Given the make and model of the car Mr R wanted to change to, to include the one that was refused, it was always likely to be a higher class than his original car so would likely increase the premium. There was surprise by the Brightside operatives that it didn't, but they never double checked it. And I consider they had a duty to do this being the experts in such things as against Mr R and indeed Mrs R.

Instead, given this failed opportunity to correct the quote to its real price, that in effect induced Mr R to buy this car and therefore insure it. Further it's foreseeable that any quote given in these circumstances could do that too. As a result, given the car was already bought Mr R felt he had no choice but to work his days off to enable him to pay the increased premium.

Therefore, given Brightside's disagreement merely amounts to the compensation figures suggested by the investigator, rather than anything else, I will simply now concentrate on that.

Obviously, I have no remit to force Brightside or indeed the underwriter to offer the original quote as it was clearly a system glitch which gave 100% discount. But I consider the effect of the error on Mr R, lasted several months (as against what Brightside thinks) given the monthly premium had to continue to be paid until his policy expired on 28 April 2024, just a few days ago. Therefore, I consider the impact on Mr R was considerable and indeed substantial. On that basis I consider the amount of £850 compensation for this error plus the consequent inducement to be fair and reasonable. It's also clearly in line with our approach to such matters given how substantial the effect was over several months.

I do think Mrs R deserved some understanding and empathy given she was left being on hold by several operators when she realised the quote given was clearly so grossly wrong. And she was desperate to try and sort it out. However, it ensured she missed a very special, important, and sensitive family gathering. Therefore, I consider she's entitled to £100 compensation for that too. I don't consider it was reasonable that Brightside simply ignored this either, more so as she is a named driver on the policy.

## **My final decision**

So, for these reasons, it's my final decision that I uphold this complaint.

I now require Brightside Insurance Services Limited trading as Brightside to do the following:

- Pay Mr R a total of £850 compensation.
- Pay Mrs R a total of £100 compensation.
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Under the rules of the Financial Ombudsman Service, I'm required to ask Mr R and Mrs R to accept or reject my decision before 30 May 2024.

Rona Doyle  
**Ombudsman**