

The complaint

Mr R complains that One Call Insurance Services Limited (One Call) continued to charge him for a motor insurance policy he'd cancelled.

What happened

In April 2022 Mr R says he contacted One Call to change the motorbike insured on his policy. The cost to do so was too high. Mr R says he told One Call to cancel his policy. In January 2023 he realised monthly premiums were still being collected. He complained and was offered £30 as a goodwill gesture. But Mr R wants the additional premiums he paid to be refunded.

In its final complaint response One Call says it spoke to Mr R via webchat in April 2022. It says its agent confirmed the cost of new cover would be around £11,000. Mr R said he would review alternative quotes and contact it back, should he wish to go ahead. One Call says Mr R didn't contact it again until January 2023, when he received renewal information.

One Call says Mr R didn't mention having sold his motorbike, or that he'd declared a Statutory Off-Road Notification (SORN). It says he didn't cancel the policy, and this is not something it could presume as Mr R's insurance broker. One Call says its offer of £30 as a goodwill gesture was fair.

Mr R disagreed and referred the matter to our service. Our investigator upheld his complaint. He says One Call should provide a pro-rata refund of the premiums paid from the date of the webchat on 16 April 2022. He thought Mr R had agreed to cancel the policy during the chat. Our investigator noted Mr R declared his motorbike SORN and this was later sold. He didn't think he could've benefitted from the policy, which he'd said he didn't want.

One Call disagreed with this outcome. It didn't think it was clear from the webchat that Mr R had instructed his policy to be cancelled. As an agreement couldn't be reached, the complaint has been passed to me to decide.

I issued a provisional decision in September 2023 explaining that I was intending to not uphold Mr R's complaint. Here's what I said:

provisional findings

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 my intention is to not uphold Mr R's complaint. I'm sorry to disappoint him but I will explain why I think my decision is fair.

I've read the webchat transcripts One Call provided. This shows there were two conversations. One took place around 11am on 16 April 2022. The second webchat was on the same day at around 1pm.

In the first chat Mr R says he wants to change the vehicle on his policy. However, the agent can't offer a quotation. He says the information provided for the new cover doesn't meet the current underwriter's criteria. The agent offers to look at, "a cancel and replace". He explains this will mean cancelling Mr R 's current policy and replacing it with another. This will be underwritten by a different insurer. The agent says if Mr R proceeds with the quotation, One Call will waive the cancellation fee.

Mr R says, "yes please". He queries why cover can't be offered by the existing insurer. The agent explains it's due to the value of the new vehicle and where it's kept. There then follows a brief discussion about the company providing the finance for the policy. However, this isn't relevant to the issue here.

One call's agent then says, "I can arrange a call from our sales team for a new quote..". Mr R agrees to this. He queries the agent's reference to the outstanding balance. Mr R then says, "..I will go ahead with a call from your team then please". The chat then ends.

On the next webchat at 1pm Mr R says he'd spoken with an agent earlier and was expecting a call. The agent couldn't confirm an exact time for the call but says this had been requested. Mr R says he's looking to get his motorbike insured today. He mentions looking online himself and queries whether charges will be incurred. The agent tells Mr R, "to cancel the policy, you would incur the same ones advised to you earlier by [previous agent]".

The chat continues the agent tells Mr R, "..the only price we have coming back on this information is over £10,000 with us on our systems". Mr R replies, "I will search myself and see what happens if I get a call from your company". One Call's agent then says, "I do understand however if we call you, the only price we will over [sic] £11,200 for the year so there is no reason for us to call now unless you want this policy?".

Mr R responds with, "fine no problem". The agent then says, "Please come back to use once you are ready, thank you". The webchat then ends.

There's no mention of Mr R having sold his motorbike, or that he'd applied for SORN. Based on the information I've seen both of these happened later.

In the first webchat One Call's agent says the policy can be cancelled and replaced. But it's clear from the discussion that a call needs to take place for a quote to be provided. It's explained One Call's cancellation will be waived. But Mr R will first have to proceed with the quote, which he will be contacted about.

In the second webchat One Call's agent tells Mr R the costs he will incur to cancel the policy. This is the outstanding balance on the existing policy. The agent tells Mr R it can only quote over £11,200 and so queries whether there's a reason for it to call him. I don't think Mr R is entirely clear in what he wanted to happen next when he said, "fine no problem". One Call's agent didn't try to clarify this. The agent wrote, "Please come back to us once you are ready".

I've thought carefully about whether Mr R gave an instruction for One Call to cancel his insurance policy during these webchats. I don't think he did. At no point does he specifically ask for the policy to be cancelled. The final webchat ends with One Call's agent saying, "please come back to us once you are ready". This was in response to Mr R's comment that he will "search himself and see what happens if I get a call from your company".

I note One Call's comment that it can't presume from what was said that Mr R wanted to cancel. I agree with what it says. I think the conversation could've been clearer in what both Mr R wanted and what One Call's agent understood was being requested. But I don't think

Mr R gave a clear instruction to cancel. The repercussions of a cancelling a policy in error could have significant consequences. I don't think One Call was wrong not to instruct Mr R's insurer to cancel cover based on these webchats.

I note Mr R was still in possession of his old motorbike at the time of his contact with One Call. Regardless of whether he was going to use it, it was still covered from losses resulting from theft or damage by his policy.

One Call has said it tried to call Mr R, but it wasn't successful. Mr R says no voicemail was left and he received no email from the business.

Having thought about all of this, I don't think Mr R gave a clear instruction to cancel his policy. If One Call had cancelled the policy this could've meant exposing Mr R and potentially itself to incurring a significant loss, if a claim was made. More care could have been taken to clarify what Mr R wanted to happen. I think it's fair that One Call offered £30 compensation for this. But I don't think it failed to act on a clear instruction to cancel the policy.

Mr R paid his premium in monthly instalments. Presumably the ongoing insurance payments would show as collected each month from his bank account. I think this could reasonably have been noticed sooner. As it was, it took Mr R nine months to contact One Call to query the ongoing payments.

In summary I don't think One Call treated Mr R unfairly when not cancelling his policy for the reasons discussed. So, I can't reasonably ask it to do anymore.

I said I was intending to not uphold Mr R's complaint.

I asked both parties to send me any further comments and information they might want me to consider before I reached a final decision.

One Call didn't respond with any further comments or information for me to consider.

Mr R responded to say that during a webchat he confirmed that he'd removed/changed his motorbike online on its website. He says its agent confirmed the cancellation fee had or would be waived. Mr R says this means the policy was cancelled and so no more instalments should've been taken.

Mr R says he was expecting a call from One Call with a new quote, and it told him it would cancel his existing policy and waive the cancellation fee. He says he agreed to this.

Mr R says at some point, possibly over the phone, he told One Call his bike was "dead" and that he had a new bike. He says he didn't mention insuring a second bike only that he wanted to update the policy for the new bike. He doesn't understand why he would've mentioned SORN as he'd already told One Call he wanted to cancel.

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.

I've thought about Mr R's further comments that what he said to One Call's agent over the webchat, meant he'd cancelled the policy. But I don't agree. Mr R doesn't specifically give an instruction to cancel.

The webchat ends with One Call saying, "*please come back to us once you are ready*". Based on this evidence I don't think Mr R gave a clear instruction to cancel or that it's reasonable to conclude One Calls agent should've cancelled the policy based on the webchat discussion.

As discussed, Mr R paid his premium by monthly instalment. I think this should reasonably have alerted him to the ongoing payments at an earlier juncture than it did.

I'm sorry Mr R remains unhappy that he paid premium instalments he thinks he shouldn't have. But having reconsidered the evidence and circumstances of his complaint, I'm not persuaded to change my findings. My provisional decision will now become my final decision, and for the same reasoning.

My final decision

For the reasons I've explained above, and in my provisional decision, I don't uphold Mr R's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr R to accept or reject my decision before 17 November 2023.

Mike Waldron
Ombudsman