

## **The complaint**

Mr and Mrs C complain that Urban Jungle Services Ltd renewed their policy and didn't provide a full refund when they later cancelled it.

## **What happened**

Mr and Mrs C held a buildings and contents insurance policy administered by Urban Jungle. The policy was set to auto-renew with the new policy beginning on 27 January. Urban Jungle sent out two renewal notices letting Mr and Mrs C know of the new price and letting them know the policy would auto-renew.

But Mr and Mrs C found a different policy and put in a request to stop the auto-renew on 26 January, the day before the new policy was due to start. They got confirmation the auto-renewal process had been changed.

But Urban Jungle said the policy effectively auto-renewed on 26 January (to start the next day). It said it notified Mr and Mrs C on 26 January that the policy had renewed and sent out the documents. It says it made clear that if Mr and Mrs C didn't want to renew the policy, they needed to tell it at least four days before the policy was set to renew.

Some months after the policy renewed, Mr and Mrs C noticed and let Urban Jungle know. But it said because it only received notification after the 14-day cooling off period, Mr and Mrs C weren't entitled to a full refund and would only receive a pro-rata refund based on how long they were on cover.

Mr and Mrs C weren't happy with this and complained. But Urban Jungle didn't change its stance, so they brought their complaint to us.

One of our investigators recommended it be upheld. She didn't think Urban Jungle had made it clear enough that the policy had auto-renewed. She thought it needed to provide Mr and Mrs C a full refund.

Urban Jungle didn't agree and asked for an ombudsman's decision.

## **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 the complaint. I'll explain why.

- The documentation makes it clear that Mr and Mrs C needed to give Urban Jungle at least four days' notice if they didn't want the policy to auto-renew. They clearly didn't do this, only notifying Urban Jungle a day before the policy was due to renew.
- At this point, Urban Jungle had in effect put the renewal in place and sent the documentation for the upcoming policy year – to start the following day. I'm satisfied

this information was clear.

- But, when Mr and Mrs C notified Urban Jungle of the change, it confirmed that same day that the change had been made and the policy wouldn't auto-renew. Because the policy hadn't yet started – it was due to start the next day – I think Mr and Mrs C had a reasonable expectation that the policy wouldn't renew as they'd requested.
- What's more, they were sent a revised schedule detailing the cover would start and end on the same day 26 January. I think this further adds to Mr and Mrs C's reasonable expectation that the policy would not extend further than 26 January.
- I don't think it fair or reasonable to say that because this was then brought to Urban Jungle's attention outside the 14-day cooling off period that they shouldn't be entitled to a full refund.
- It's clear they didn't want the policy to renew, and as above, I think the information provided gave them a reasonable expectation that it wouldn't renew. Had Urban Jungle been clearer, I think it highly likely Mr and Mrs C would have contacted them within the 14-day cooling off period and benefitted from a full refund.

### **My final decision**

For the reasons set out above I uphold this complaint. To put things right I require Urban Jungle Services Ltd to:

- Provide a full refund for the policy (it's entitled to deduct any refund it's previously given relating to this policy). 8% interest should be added on to any payment it makes. Interest should be calculated from the date Mr and Mrs C paid the premium to the date Urban Jungle pays them this payment.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr C and Mrs C to accept or reject my decision before 28 July 2023.

Joe Thornley  
**Ombudsman**