

The complaint

Mr B and X complain about the way One Call Insurance Services Limited ("One Call") communicated with them, and didn't tell them about the cancellation of their motor insurance policy.

The policy is a joint one, but I'll refer mainly to Mr B for ease, and because he's the primary correspondent.

What happened

Mr B and X had a motor insurance policy arranged through One Call, which is a broker.

They live in a fairly remote location with limited internet access. One Call primarily operates via the internet.

The policy began in September 2022. As part of the application procedure, Mr B said that he hadn't had any claims or losses in the previous five years.

The insurer then found that there'd been a non-fault claim in April 2022. It asked for proof of Mr B's No Claims Discount (NCD). It's not disputed that Mr B misrepresented his details when he applied for cover.

The insurer didn't receive proof of NCD it regarded as suitable and it told Mr B it would cancel the policy. This cancellation was discussed over a period of about two months with Mr B. On 11 November he was told by One Call via online chat that it had all the information it needed and he was insured.

The insurer of his policy cancelled his cover with effect from 17 November as it still hadn't received the confirmation it wanted. A partial refund was made to Mr B's account.

On 25 December Mr B was stopped by the police for driving without insurance. The prosecution was ultimately set aside as Mr B said he didn't receive notification his policy had been cancelled.

Mr B complained that One Call routinely contacted him by text message or email, and he would reply by a chat function. But when it communicated with him about his policy actually being cancelled, it did so by letter. He says the letter didn't arrive.

One Call said it had made a mistake when it told him he was insured – it should have warned Mr B about the pending cancellation by the insurer. It refunded Mr B's premium and paid £100 compensation.

Mr B and X remained unhappy and brought their complaint to this service. They say that One Call's failure to notify them properly caused them distress and meant they had to deal with a prosecution attempt by the police lasting over two months before it was resolved. They ask for compensation.

Our investigator looked into it and said she didn't think it would be upheld. She said she

thought One Call had acted fairly. She said she thought One Call had offered Mr B £200 compensation in total.

Mr B and X didn't agree with the view and asked that their complaint was reviewed by an ombudsman, so it has been passed to me to make a final decision. text here

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.

At the centre of this complaint is a chat message exchange between Mr B and One Call on 11 November. I've mentioned this above, and One Call deal with it in its final response to Mr B. One Call tell Mr B he's insured, but his policy was actually pending cancellation by the insurer.

Although this is a seemingly minor mistake by One Call, the impact of it meant that Mr B was content to continue to drive.

I can see that One Call then wrote to him telling him about the cancellation, but Mr B says he didn't receive the letter as it was sent during a postal strike. It's also my understanding that the letter was made available to him via One Call's online portal, but he didn't access it.

In its final response, One Call said it should have contacted Mr B by another method.

I can say that, perhaps, Mr B should have realised a partial refund had been made into his bank account.

But the mistake about this was primarily One Call's.

Mr B is fortunate to have not been involved in a road traffic accident before the police stopped him. I've said above that, ultimately, the action was set aside by the crown but Mr B has told this service of his anxiety and stress caused by One Call's actions.

One Call issued two final responses, the first said it would refund the premium and pay £100 compensation. The second said "As per my final response I can confirm a further £100.00 compensation is available in addition to the full refund already issued." Our investigator referred to £200 compensation in her view, but Mr B said he'd only received £100. I can see our investigator clarified this with One Call which confirmed it agreed with £200 compensation.

Having taken everything into consideration, and considered this service's guidelines on compensation, I think One Call's agreement to pay £200 is fair and reasonable.

My final decision

One Call has already made an offer to pay £200 to settle the complaint and I think this offer is fair in all the circumstances.

So my decision is that One Call Insurance Services Limited should pay Mr B and X £200 if it hasn't already done so.

One Call Insurance Services Limited must pay the amount within 28 days of the date on which we tell it Mr B and X accept my final decision. If it pays later than this, it must also pay interest on the amount from the date of my final decision to the date of payment at 8% a year

simple.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr B and X to accept or reject my decision before 22 December 2023.

Richard Sowden
Ombudsman