

## The complaint

Mr G complains U K Insurance Limited (UKI) unfairly cancelled his motor insurance policy.

## What happened

I issued a provisional decision on this complaint on 13 July 2023 which set out the following:

### ***'What I've provisionally 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.*

*Mr G took out a motor policy with UKI in 2021 by phone having obtained an online quote. I've listened to the call and it's my opinion that UKI made clear policy communications would be through email only, and paper copies would have to be requested by Mr G each time. UKI also told Mr G he should regularly check his emails as that's how UKI keep in touch with their customers in respect of this policy.*

*UKI sent Mr G a welcome pack following the call. This said, 'as your card details are securely stored, we will be able to take automatic payment for any future changes to your policy or to renew when the time comes – to save you time and hassle.' I acknowledge during the 2021 call Mr G's partner asked UKI not to store payment details. Despite this, the policy automatically renewed a year later. I'll return to this point later in my decision.*

*UKI sent renewal documents to Mr G by email roughly three weeks before the 2022 renewal date. This email set out the policy was set up to automatically renew and stated: 'if you don't want to renew your cover, you must call us before 01 October 2022 and let us know. If we don't hear from you, we'll debit the account...'. I find this renewal invitation clearly set out Mr G should call UKI to discuss the policy, else it would renew. Mr G contacted UKI by phone five days after the policy renewed to discuss the policy and disclose a driving conviction.*

*Having listened to both the 2021 and 2022 calls, it's my opinion Mr G was very engaged with insurance renewal processes. I say this because he told UKI at every previous renewal with different providers, he always called ahead to try and negotiate a better price. He said he hadn't called until five days after renewal in 2022 as he was expecting a renewal invitation via letter rather than email. As mentioned above, I find UKI made clear all communication would be through email – and it's clear from the 2022 call Mr G had no intention of allowing the policy to lapse or cancel it. So, returning to the point where UKI stored Mr G's payment details on file when his partner asked them not to, while there was an error on UKI's part here, it resulted in Mr G having insurance in place between the time the 2021 policy ended to him calling UKI five days later.*

*During the 2022 call, as mentioned above, Mr G disclosed a motoring conviction from July 2022, to which the agent said an additional premium would apply. They explained they would refer this to their back office to see whether a £25 administration fee could be waived to help with the price of the policy. Mr G was also told he could cancel the policy, but he said he didn't want to do that. After the agent helping Mr G set up an account on UKI's online*

portal, it's said the back office team would be in touch regarding the additional premium amount, and whether the administration fee could be waived.

The following day, on 6 October 2022, UKI sent Mr G an email confirming the additional premium and confirmation the £25 administration fee had been waived. This email said the amount would be attempted to be collected by UKI from the card stored on the policy within seven days. And if UKI were unable to take payment, the policy could be cancelled. Unfortunately, payment didn't go through, and so UKI contacted Mr G again by email on 14 October 2022.

The subject of this email stated: 'Urgent action required with your [UKI] Car Insurance.' The email went on to set out that the additional premium hadn't been paid, and Mr G needed to make contact to ensure the policy remained in force. It also set out what would happen if Mr G didn't make contact within the next seven days, and if the policy was cancelled, a £50 administration fee would apply. I find this email was clear in setting out Mr G needed to act, and what would happen if he didn't. As he didn't make contact, a further email was sent on 22 October 2022 to confirm the policy had been cancelled.

I've reviewed the policy terms regarding cancellation. These say UKI have the right to cancel a policy by giving at least seven days' notice in writing. And they will send the cancellation in writing to the latest email address and/or the last postal address held for a policyholder. I do acknowledge Mr G's preferred method of contact was for letters, and it's good practice for an insurer to send a cancellation notice by two means of communication. But in this case, I find UKI made clear to Mr G during 2021 and 2022 that emails were the way they contacted their customers. As mentioned above, Mr G had access to the online portal following the 5 October 2022 phone call, and was informed to regularly check his emails after being told email was the way UKI communicated with customers.

I note Mr G was driving without insurance for a period as he hadn't seen the emails – which led to the policy being cancelled. Mr G says the reason for this was he didn't regularly check his emails. But I find UKI made clear how they would communicate with him, were consistent throughout, and it's my opinion they applied the cancellation process fairly and reasonably. It follows I currently don't intend to require UKI to take any action here. I'm sorry to disappoint Mr G as I appreciate this won't be the outcome he was hoping for.

### **My provisional decision**

*For the reasons I've mentioned above, my provisional decision is I don't uphold this complaint.'*

### **Responses to my provisional decision**

Mr G was understandably disappointed with the outcome of my provisional decision. Mrs G, on behalf of Mr G, set out, broadly, that:

- The complaint stemmed from UKI not corresponding with Mr G by post despite his requests for them to do so. Mr G struggles with email as the method of communication with reading from screens and as such finds paper copies more comprehensible.
- An insurer must, upon request and free of charge, also send a policyholder a paper copy of communications which UKI failed to do here.
- Mr G contacted his bank to establish whether UKI attempted to take payment for the additional premium in 2022. And the bank has confirmed no request was received or declined, and the only transaction requested by UKI was the initial amount for the 2022 premium.

I've considered the further points raised here and I'll now move on to set out my final decision on the matter.

### **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 acknowledge Mr G's reasons regarding why he preferred paper copies of correspondence over emails. Mr G also says he didn't regularly check his emails, and an insurer must, upon request, provide a policyholder with paper copies of correspondence. But UKI provided Mr G with the steps he would need to take to request paper copies of correspondence sent to him. And my opinion remains UKI clearly set out how they would communicate with Mr G, were consistent throughout, and followed the cancellation process fairly and in line with the policy.

UKI say they were unable to take payment for the additional premium, while Mr G says following contact with his bank, he was told no payment was requested by UKI. All things considered – I don't find this makes a material difference to the outcome of this complaint. I say this because I find UKI made clear to Mr G payment hadn't been made, and he needed to act to keep the policy in force. I don't find it would be fair or reasonable to conclude UKI acted unfairly here by sending Mr G emails informing him he needed to take action – having told him all communication would be through email, and he should regularly check his emails.

I accept this won't be the outcome Mr G was hoping for. But my decision ends our Service's involvement in attempting to informally resolve his dispute with UKI.

### **My final decision**

For the reasons I've mentioned above, my final decision is I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr G to accept or reject my decision before 4 September 2023.

Liam Hickey  
**Ombudsman**