

The complaint

Mr S complains about the charges Grove & Dean Ltd (Grove & Dean) raised, and the service it provided following a change of address he made to his motor insurance policy.

What happened

Mr S contacted Grove & Dean to inform it of a change of address. It told him this would mean an increase in his premium of £462.71. Mr S thought this was too much to process a change of address and complained. He says Grove & Dean then threatened to cancel his policy.

Mr S says he received an email on 16 June 2023 that superseded all previous correspondence. It said his policy had been cancelled as of 15 May. He says this was before he moved address. Mr S says Grove & Dean has acted illegally by cancelling his policy.

In its final complaint response Grove & Dean says Mr S used an online submission form to update his address. Based on the new address, and where advised his car would be parked, his insurer increased his premium by £462.71. This included Grove & Dean's administration charge. It says Mr S contacted it to say he didn't agree to the additional payment. Grove & Dean responded to say the policy address had to be changed to Mr S's new address. This required payment of the additional premium. It told him that if he didn't agree to this being done a notice of cancellation would be issued.

Grove & Dean says an email was sent to Mr S on 8 June 2023 giving him seven days' notice of the intended cancellation. As payment wasn't provided, the policy was cancelled as of 11.59pm on 15 June.

Mr S didn't think Grove & Dean had treated him fairly and so he referred the matter to our service. Our investigator didn't uphold his complaint. She says Grove & Dean made an error in its email dated 16 June 2023 when it referred to the policy cancelling in May. But she thought the cancellation had been communicated clearly in its other correspondence. She didn't think the business had done anything wrong in confirming this action.

Our investigator says the premium increase raised by Mr S's insurer, and the decision to cancel his policy, are being dealt with as a separate complaint.

Mr S didn't accept our investigator's findings and asked for an ombudsman to consider his complaint.

It 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 not upholding Mr S's complaint. I'm sorry to disappoint him but I'll explain why I think my decision is fair.

The records provided show Mr S informed Grove & Dean of his new address on 5 June 2023. It responded the same day to ask where his vehicle would be 'stored' overnight. Mr S informed Grove & Dean his car would be parked on land behind a block of flats. Grove & Dean referred this information to Mr S's insurer. This is what I'd expect it to do. The insurer then advised the address change had resulted in an increase in its premium. Grove & Dean communicated this to Mr S.

I can understand Mr S's concern that the new premium was just over double the cost of his original premium. But this wasn't Grove & Dean's decision. It's responsible for administering Mr S's policy. His insurer decides the level of premium. In this case Mr S moved address after the policy renewed in May 2023. The address at which an insured vehicle is kept will be a factor in assessing risk and will impact on the overall premium. I'm not considering the actions of Mr S's insurer in my decision here. So, I won't comment further on the premium increase or its decision to cancel the policy. But I'm satisfied that Grove & Dean acted correctly to inform the insurer of the address change. It then informed Mr S of the additional premium, and the action the insurer would take if he didn't pay this amount.

Grove & Dean charged an administration fee as a result of the address change Mr S made. I've checked its terms and conditions to see if this was explained. Under the heading "*Payment for our services*" it says:

"Any changes to existing policies - £50"

Mr S's policy renewed on 12 May 2023. He notified his change of address a month later on 5 June. Based on this evidence Grove & Dean was entitled to charge an administration fee.

I've thought about Mr S's comments that Grove & Dean told him his policy had cancelled from 15 May 2023. I acknowledge this is what the email dated 16 June says. But I think it's clear that this was a mistake.

Grove & Dean provided a cancellation notice dated 8 June 2023 confirming cancellation would take place on 15 June. It emailed Mr S on 9 June to tell him the cancellation notice remains in place. This was after he'd disputed the additional premium charge. A further cancellation notice was sent dated 15 June. This confirms the cancellation will be effective from the same day at 11.59pm. The correct information was also confirmed in the final complaint response dated 16 June as well as the later response dated 14 August.

I've read what Mr S has said about the importance of the words used, and the legal implication of Grove & Dean stating his policy had cancelled in May 2023. But it's clear this was an error. I'm satisfied Mr S was informed of the date his policy was due to cancel. And was contacted again when the cancellation took place. If Mr S was unclear on this point he could've contacted Grove & Dean to clarify. But from the evidence I've seen the cancellation date was made clear.

Having considered all of this I don't think Grove & Dean treated Mr S unfairly when communicating the additional premium and providing notice of cancellation. I can't see that Mr S has been disadvantaged by the error in its email of 16 June 2023, so I can't reasonably ask Grove & Dean to do anything more to resolve his complaint.

My final decision

My final decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr S to accept or reject my decision before 14 March 2024.

Mike Waldron
Ombudsman