

The complaint

Mr P is unhappy about U K Insurance Limited's ("UKI") decision to not renew his motor insurance policy – and that it hasn't told him why it won't.

Any reference to UKI includes the actions of its agents.

What happened

The circumstances of this complaint are well known to both parties, so I've summarised events.

Mr P had a motor insurance policy which was underwritten by UKI. In June 2023 – a few weeks before his policy was due to expire – UKI told him it wasn't able to offer cover for the following year.

Mr P complained to UKI saying its decision was unfair. UKI's agent explained on its behalf that it couldn't say why it wasn't willing to renew cover, but that underwriting criteria does change – and ultimately, the underwriter had decided it wasn't a risk it was willing to insure.

Mr P remained unhappy and so, brought a complaint to this Service. An Investigator considered it but didn't uphold it. Whilst he recognised it was frustrating for Mr P to not be given a specific reason for UKI not offering cover, he was satisfied, based on the underwriting information provided by UKI, that it hadn't acted unfairly in reaching its decision.

Mr P disagreed, and so, the complaint has been passed to me 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 agree with the outcome our Investigator reached – and I'll explain why. I appreciate Mr P is unhappy UKI won't insure him when it previously had. And I understand he's frustrated at not being specifically told *why* UKI wouldn't provide ongoing cover – particularly as, in his opinion, his circumstances hadn't changed.

The role of this Service when looking at complaints like this isn't to tell a business that it should or shouldn't offer cover. That's ultimately a commercial judgment for the insurer to make.

It's for a business to decide which risks it's prepared to cover and how much weight to attach to those risks - different insurers will apply different factors. And there's no obligation on a business to renew cover because of an existing policy. So, on its face, UKI's decision to not renew cover doesn't mean it's treated Mr P unfairly.

But Mr P says it has because it hasn't told him *why* it won't insure him again. I appreciate that's frustrating for him, but as a general rule, insurers aren't obliged to disclose why it has

or hasn't provided cover. So, I can't say it's treated him unfairly in not doing so. But even if it did tell Mr P why it hadn't renewed cover – it wouldn't change the outcome, as it doesn't have to justify its reason for not offering cover.

UKI has told Mr P that he didn't need to disclose to other insurers that it wouldn't be providing cover. And so, I'm not persuaded Mr P has suffered a detriment beyond being frustrated at not being told why UKI wouldn't cover him. But as I said, this isn't something it has to tell him.

So, for these reasons, I'm not upholding this complaint.

My final decision

My final decision is I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr P to accept or reject my decision before 24 April 2024.

Nicola Beakhust
Ombudsman