

The complaint

Miss G has complained about Hiscox Insurance Company Limited. She isn't happy that it cancelled her home insurance policy due to non-payment.

What happened

Miss G took out a policy with Hiscox for her home insurance policy. However, there were problems with the payments due under the policy which Hiscox contacted Miss G about. But as she didn't respond or make contact it cancelled the policy in line with the policy terms and conditions.

Miss G wasn't happy that her policy was cancelled so she complained to Hiscox about this. It explained that as she had missed her monthly payment it contacted her by email and letter to explain that the policy would be cancelled if she didn't make contact and payment. And as it didn't receive a response it subsequently cancelled the policy. As Miss G remained unhappy she complained to this Service.

Our Investigator looked into things for Miss G but didn't uphold her complaint. Although she sympathised with Miss G she didn't think Hiscox had acted unreasonably in following the terms and conditions of the policy in looking to cancel due to non-payment. It had emailed on two separate occasions and sent a letter about the non-payment and made it clear that the policy would cancel if action wasn't taken. And as there wasn't a response it cancelled the policy.

As Miss G didn't agree the matter has been passed to me for review.

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 have a fair degree of sympathy for the position Miss G has found herself in. But I have to act fairly to both sides when I consider a complaint and as Hiscox haven't done anything wrong here I'm not upholding this complaint. I know this will come as a disappointment to Miss G, but I'll explain why.

As our Investigator explained, the policy outlines *'If we have agreed that you can pay us the premium by instalments, and we have not received an instalment 15 days after the due date, we may cancel the policy.'* And so, as long as Hiscox acted fairly in cancelling the policy as payment wasn't made then I can't say it has done anything wrong here.

It is clear that payment was missed for some reason. And Hiscox then went on to try and contact Miss G in order to establish what the problem was and to ensure payment was made. It also outlined that if Miss G didn't make payment or contact that the policy would be cancelled in line with the policy terms.

Miss G has explained that she didn't receive any communication about this. But I can't hold Hiscox responsible for any postal problems and as it is clear the emails were sent I can't

hold it responsible for them not being received either. Hiscox has shown it generated two emails that were sent to Miss G and a letter to her home address, and while I don't doubt what Miss G has said about not receiving these I think it acted reasonably by communicating by two different methods. And then cancelling the policy as it hadn't received any payment, explanation or contact having given reasonable notice in line with the policy terms.

Furthermore, I know Miss G has suggested there were problems with the delivery of her letters and emails and problems with her bank account. But I understand that there was telephone contact between Miss G and Hiscox after the policy was cancelled and Miss G didn't query what had happened initially which is surprising. And I would have expected Miss G to have noticed that the direct debit payment hadn't left her bank account, especially given the premium was quite large.

Given all of this I can't say Hiscox has acted unfairly in cancelling the policy due to non-payment and so I'm not upholding this complaint. I know this will come as a disappointment to Miss G but it took reasonable steps, in line with the policy, to tell Miss G that it hadn't received payment and that the policy would be cancelled if she didn't pay or make contact.

My final decision

It follows, for the reasons given above, that I'm not upholding this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss G to accept or reject my decision before 5 June 2024.

Colin Keegan
Ombudsman