

The complaint

Mr M is unhappy with the price Swinton Group Ltd charged him for his car insurance at renewal.

What happened

- In early 2018, Mr M made a complaint about his 2017 car insurance renewal and received £100 as a gesture of goodwill from Swinton
- In June 2018, Mr M's policy automatically renewed
- In July 2018, Mr M called up Swinton as he was unhappy with the renewal price. A new (cheaper) quote was discussed, but Mr M didn't take out this cover at that time
- In January 2019, Mr M called up to complain about the cost of his insurance. He wanted Swinton to honour the quote he got in July 2018 and provide a reimbursement
- Swinton didn't agree to this and didn't uphold Mr M's subsequent complaint about it

Our investigator looked into Mr M's complaint but didn't uphold it. She set out that she could only consider the 2019 complaint, not the 2018 one. She said she was satisfied Mr M didn't take out a new policy in July 2018 and so she didn't think Swinton was required to honour that price in January 2019.

Mr M responded and said he wanted us to look into both the 2018 and 2019 complaints together as Swinton had excessively increased his premium both years, despite agreeing in 2018 the increase was excessive.

Our investigator explained that she wouldn't be looking into the 2018 complaint. And she set out that Mr M was sent renewal documents in May 2018, so had the opportunity to contact Swinton about the renewal price before the policy renewed. She also set out that he had the opportunity to insure elsewhere if he was unhappy with the price.

Mr M asked for an ombudsman to review his complaint. He provided further information including paperwork from Swinton going back to 2013 and said he wanted us to investigate Swinton's continued overcharging of premiums.

I wrote out to Mr M and explained that I would only be looking into the 2019 complaint, not the earlier complaint or a wider complaint going back beyond the 2018 renewal. I also set out the rules around what an insurer has to do at renewal and said I could see Swinton had followed these rules. And I didn't agree Swinton had accepted the 2017 increase was excessive. I confirmed I'd be issuing a decision on the case shortly.

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 conclusions reached by the investigator and so have decided not to uphold the complaint for these reasons:

- The renewal paperwork Mr M was sent by Swinton in May 2018 makes it clear what his policy is going to cost for the year, alongside the total cost – as he's chosen to pay monthly. Mr M has provided us with a copy of this letter. So I'm satisfied this was set out to him before he renewed.
- This letter also explains to Mr M that, as he's been with Swinton a number of years, he may be able to get the insurance at a better price if he shopped around. So Swinton has done what it needed to and it has set out to Mr M he may not be getting the best price on the market for the cover he wants.
- As Mr M didn't take out the quote he discussed in July 2018, this isn't a price he was later entitled to receive. Mr M needed to accept this quote in July 2018 if he wanted it, which there's no evidence he did.
- Swinton has no obligation to offer Mr M a cheaper quote seven months into his cover. When he allowed his policy to automatically renew and didn't take up the July 2018 quote, he lost this opportunity for a lower premium.
- Swinton has explained that the price offered to Mr M at renewal was the most competitive price available at that time. I haven't seen anything to suggest this was untrue or that it overcharged Mr M for what it could offer.
- I accept Mr M has now been able to get cover substantially cheaper elsewhere. But Swinton did warn him this could be the case in its 2018 renewal letter. So I'm not asking it to provide a refund to Mr M now, when he didn't act on this warning and look at other cover before his policy renewed.
- I appreciate Mr M has picked up on other wording the letter which he says gave him false confidence in Swinton. But as I've set out above, the letter is clear about his options, so I can't say that Swinton is at fault if he focussed on the marketing aspects of the letter and ignored the message about shopping around.

My final decision

For the reasons set out above, I don't uphold Mr M's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr M to accept or reject my decision before 29 May 2021.

Amy Osborne
Ombudsman