

## **The complaint**

Miss B complains that My Policy Ltd (My Policy) unfairly cancelled her motor insurance policy.

There are several parties and representatives of My Policy involved throughout the complaint but for the purposes of this complaint I'm only going to refer to My Policy.

## **What happened**

Miss B took out a motor insurance policy with My Policy. As part of the terms and conditions of the policy there was a requirement to have a black box fitted to her car at all times. The black box was to record Miss B's driving behaviour.

Miss B's had some repair work undertaken to her car which was unrelated to any insurance claim, and whilst doing the work the mechanic removed the black box. This triggered an alert to My Policy and so it sent a text message and email to Miss B to instruct her to reinstate the black box immediately.

There was no contact from Miss B and the black box was not reinstated.

On 20 January 2022 My Policy sent an email to Miss B to notify her that her policy would be cancelled in seven days. Within this letter it asked her to contact it as it may be possible to stop the cancellation. No contact was made. On 27 January 2022 it sent a further email to her to confirm the policy had been cancelled from that date.

Miss B contacted My Policy on 31 January 2022 to explain she had been in hospital from 6 January 2022 and had not had access to her phone or emails. For this reason she had not received the notifications from My Policy until now. Miss B also confirmed she had not had any contact from the garage, so she was not aware that the mechanic had removed the black box from her car.

Miss B asked for her policy to be reinstated but My Policy confirmed it could not do this once it was cancelled.

As Miss B was not happy with My Policy, she brought the complaint to our service.

Our investigator upheld the complaint. They looked into the case and agreed that My Policy had fairly cancelled Miss B's policy. But said to ensure the cancellation did not impact Miss B obtaining insurance in the future the cancellation should be recorded as cancelled by Miss B herself.

As My Policy is unhappy with our investigator's view the complaint has been brought to me for a final decision to be made.

## **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.

After looking at the timeline of events, My Policy acted within the terms and conditions of the policy when it cancelled Miss B's Policy on 27 January 2022. There had been no contact from Miss B in response to its notification to reinstate the black box and no response to its seven-day notification of cancellation. It had no way of knowing Miss B's situation.

On this basis I think My Policy acted fairly and reasonably by cancelling the policy given the lack of communication from Miss B at the time of cancellation.

I also understand Miss B was incapacitated in hospital from early January 2022. She didn't have access to her mobile phone or a computer to check emails, so she was not aware the black box had been removed from her car or that My Policy were intending to cancel her motor insurance policy. She made contact as soon as she became aware of the situation on 31 January 2022.

I am persuaded that if she had access to her phone and computer, she would have been in contact with My Policy to sort matters out on the dates the text message and emails were sent.

When Miss B contacted My Policy, she asked it to reinstate her policy. My Policy said it was unable to reinstate a policy once it has been cancelled. It said as a gesture of goodwill it had attempted to obtain her a new policy. As it was unable to obtain suitable cover for her, it waived its cancellation fee.

My Policy have recorded the cancellation on its internal system and have confirmed this information is not stored on any external databases. It said; "*we do not have the functionality to remove the cancellation from our system*". My Policy have also offered a letter of context to Miss B to explain the circumstances behind its cancellation of her policy.

I think My Policy cancelled Miss B's motor insurance policy correctly and it was not as a result of any wrongdoing on its behalf. However, Miss B provided a valid reason as to why she had not responded to the emails it had sent to her informing her of its intention to cancel her policy.

Miss B contacted My Policy as soon as she had access to her emails and phone. This was four days after the cancellation of the policy had taken place.

After consideration of the circumstances of Miss B being incapacitated in hospital, with no access to her phone or emails, prior to and at the time of cancellation of the policy. I do not think Miss B should be penalised in the future by having to declare a cancellation of an insurance policy.

I accept that My Policy have said it does not have the functionality to remove the cancellation from its system. However in this case, I agree with our investigator and think a fair and reasonable outcome is that the cancellation of the policy should be recorded as cancellation by the customer.

Therefore, I uphold Miss B's complaint and to avoid any problems obtaining future insurance policies the cancellation of Miss B's policy should be recorded as something she instructed herself.

### **My final decision**

For the reasons I have given I uphold this complaint.

I require My Policy Ltd to

- Record the cancellation of Miss B's policy as something she instructed herself.

Under the rules of the Financial Ombudsman Service, I'm required to ask X to accept or reject my decision before 18 July 2022.

Sally-Ann Harding  
**Ombudsman**