

## **The complaint**

Mrs M complains about QIC Europe Ltd (“QIC”) for difficulties she encountered in renewing her policy, following an earlier complaint. She wants QIC to amend its systems so that she does not encounter the problem again.

## **What happened**

Mrs M has held insurance with QIC for some time. She obtained this through an online brokerage. For the purposes of this complaint all actions of QIC or its agents will be attributed to QIC as the underwriter of the policy.

When her policy was taken out, and at subsequent renewals, her property address was described by the house number and street.

In 2021, Mrs M updated QIC that the address should in fact be a house name, followed by the number and street.

QIC was initially unable to update its systems as it used addresses based on the postal service address book. Mrs M contacted the postal service to have the address updated.

Mrs M then encountered difficulties as QIC remained unable to update the address and decided to cancel her policy. It was then unable to reinstate the policy as the address did not match its system.

Mrs M complained to QIC, and ultimately her complaint was resolved by QIC continuing to insure the property address as identified by the number and street, but adding the house name to the correspondence address.

In July 2022, Mrs M received her renewal information. She contacted QIC to discuss this. Agents were unable to discuss her account and assured her that she would be called back within promised timeframes. Those call backs were not made.

QIC then tried to contact Mrs M and, when it could not reach her, did not leave a voice mail. When Mrs M was able to speak to QIC, QIC agreed to look into what could be done to amend the address and offer a renewal.

Mrs M was frustrated that the same resolution as the previous year was not being offered. She complained. She was concerned that, if she were to look for insurance elsewhere, she would have to declare that a policy had been cancelled and this would make it difficult to obtain cover.

Before QIC could investigate the complaint and respond, Mrs M’s renewal became due. After discussions between Mrs M and QIC it was agreed that she could renew based on the address using the number of the property again.

QIC then later responded to the complaint. It acknowledged that there had been service failings in not responding to Mrs M as it had promised but considered that it was not at fault

for its system not recognising the named address. It also noted that Mrs M had contacted a range of departments and the communications were not all joined up internally.

QIC offered Mrs M £50 compensation for her distress and inconvenience.

Mrs M contacted us. Our investigator looked into this matter and during the course of the investigation QIC offered to continue the insurance with the house name on the correspondence address. The investigator considered that the resolution proposed was reasonable.

Mrs M did not accept that view and asked for an ombudsman decision.

I issued a provisional decision in respect of this complaint in January 2023. In that decision I set out that there was little dispute in the facts, but I considered that the effects upon Mrs M were more severe and so the compensation ought to be increased to £200.

That decision has been shared with the parties and they have been invited to comment.

QIC has not responded to the provisional decision but has contacted Mrs M to try to make payment to her of the compensation. I therefore understand that QIC accepts the decision.

Mrs M has provided her comments. She is pleased that I have upheld her complaint and acknowledged the effects upon her. She explains that she remains concerned that this will happen again, and she explains that she is very worried about potentially having to declare that she has been declined insurance if QIC has this difficulty again.

### **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.

As no substantive arguments have been received against my provisional decision, I remain of the view expressed in that provisional decision about the appropriate level of compensation.

I also wish to address the additional comments Mrs M has made and ensure that there is clarity about the complaint resolution and the policy going forward.

Mrs M has said that one of her main concerns is the idea that her insurance may be (or may have previously been) cancelled, or declined, and that she would have to declare this to any future insurer. She has explained that this sort of declaration would make her feel ashamed and embarrassed.

As set out in the investigator's view, the insurer is not obliged to offer cover indefinitely, and it can decline to renew a policy in future during the relevant renewal period. In some circumstances it could cancel a policy part way through a cover period, but it would need to make clear what action it is taking and its reasons for this.

Businesses are free to decide whether they want to offer cover to a consumer, just as consumers are free to decide they do not wish to renew with a business. Consequently, we cannot ensure that this situation, or a different situation, could not happen again in the future. Businesses must, however, act fairly in their decision making and must not base a decision not to renew on a discriminatory reason.

If QIC decides not to offer cover to Mrs M in future it must explain what this means for her,

and what (if anything) she must declare to prospective future insurers.

In any event, as she has expressed concern about this now, I think QIC should write to Mrs M confirming what (if any) declarations she should make as a result of the issues raised in this complaint (e.g. QIC should confirm whether insurance has ever been cancelled or refused by QIC).

Mrs M has also expressed concern that QIC has contacted her using language which suggests a refund of her policy. She is worried that conflating settlement of this complaint with a refund may suggest that she has not paid her premium in full, and this may affect her policy.

The communications she has received may be standardised wording, but for the avoidance of doubt QIC should also confirm to Mrs M that settlement of this complaint does not affect her ongoing policy, or policy premium paid.

Taking into account the comments received, I adopt my provisional decision, as supplemented by the above, as my final decision, and uphold Mrs M's complaint.

### **My final decision**

For the reasons given above, and in my provisional decision, I uphold Mrs M's complaint and direct QIC Europe Ltd to:

- Pay to Mrs M £200 compensation for her distress and inconvenience; and
- Confirm to Mrs M that settlement of this complaint does not affect her current policy or the premium paid; and
- Confirm to Mrs M whether she must make any declaration to prospective insurers relating to her policy with QIC.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs M to accept or reject my decision before 14 March 2023.

Laura Garvin-Smith  
**Ombudsman**