

## **The complaint**

Mr C's complained about his dealings with ATLANTA 1 INSURANCE SERVICES LIMITED, trading as Autonet Insurance Group, in relation to his car insurance policy.

For the avoidance of doubt, ATLANTA was the policy broker, and the insurance was provided by a third-party insurer. Mr C paid the premium via a third-party finance provider.

## **What happened**

Mr C arranged an annual policy through ATLANTA, paid for via monthly direct debit through the finance provider. He contacted ATLANTA in July 2021 to instruct it to not renew the policy in July 2022.

The policy was nevertheless renewed in July 2022, despite Mr C's earlier instructions, and again paid for via monthly direct debit. A few weeks after the renewal, Mr C cancelled the finance agreement with the finance provider. The non-payment of premiums ultimately led to ATLANTA cancelling the policy itself and requesting that Mr C pay the outstanding premium of £114.51 plus its £50 cancellation fee. ATLANTA subsequently agreed to waive the £50 cancellation fee as a gesture of goodwill.

Unhappy with ATLANTA's actions, Mr C brought a complaint to this service. Our investigator looked into the complaint and recommended that it be upheld. They believed ATLANTA had failed to act on Mr C's instruction to not renew the policy from July 2022 and that the issues that ensued would have been avoided had it done so. The investigator asked ATLANTA to remove any adverse database entries from Mr C's records regarding the cancellation, waive the outstanding premium and pay Mr C £75 as compensation for the upset he'd been caused.

The file was passed to me to review afresh as ATLANTA didn't agree with the investigator's findings. ATLANTA said that when Mr C first approached it to complain he felt it had cancelled the policy in error – not that it had renewed the policy in error. ATLANTA considered that Mr C was happy for his policy to be renewed and this was demonstrated by him allowing the renewal despite being sent automatic renewal reminders in good time.

## **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've decided to uphold the complaint. I'll explain why.

It's not in dispute that Mr C instructed ATLANTA in 2021 he didn't want his policy to renew in 2022. Nor is it in dispute that ATLANTA was aware of those instructions and failed to act on them when the initial policy came to an end.

On that basis, I think it's fair to say that the policy wouldn't have renewed in 2022 if not for ATLANTA's errors. To my mind, it follows that the events that occurred after the policy

renewal shouldn't have taken place and that Mr C should be compensated for the losses he incurred as a result.

I acknowledge ATLANTA's point about Mr C's complaint as expressed to it in 2022. But I'm satisfied that the issues surrounding the cancellation of the policy wouldn't have come about in the first place had the policy ended in July 2022 as Mr C was led to believe it would. I believe the renewal and cancellation aspects are interrelated as reflected, for example, in Mr C's complaint to us where he said:

*'Autonet renewed my policy without my knowledge even though they had a note saying it was not to be automatically renewed for 2022-23! Their complaints response letter has inaccurate details on it, and it even says they have renewed my policy when they knew not to renew it! Autonet want to charge me because they think I have cancelled my policy. It has not been cancelled because it should not have been renewed in the first place.'*

I also acknowledge ATLANTA's argument that it gave Mr C adequate notice of the renewal in 2022. Although he says he wasn't aware of its intention to renew as he didn't see ATLANTA's correspondence about it. In any case, I can see why Mr C might not have paid much attention to any renewal papers he might have seen considering he'd already been given assurances by ATLANTA that the policy wouldn't be renewed.

Taking everything into account, including all of ATLANTA's responses to the investigator, I don't believe ATLANTA's treated Mr C fairly regarding the policy and I think it should put things right for him. That includes paying compensation for the impact its actions have had on him, including causing him unnecessary inconvenience and worry about ATLANTA demanding money from him on several occasions that he didn't consider he owed.

### **Putting things right**

To return Mr C to the position he'd likely have been in had the policy not renewed in July 2022, ATLANTA should:

- Waive the outstanding premium for the relevant policy year; and
- Waive any policy cancellation fees (as I gather it's already agreed to); and
- Ensure any negative entries on internal and external databases regarding the cancellation are removed or corrected to reflect this final decision; plus
- Pay Mr C £75 as compensation for the avoidable distress and inconvenience he's experienced as a result of its actions.

### **My final decision**

For the reasons given, I uphold this complaint. I require ATLANTA 1 INSURANCE SERVICES LIMITED, trading as Autonet Insurance Group, to put things right as explained above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr C to accept or reject my decision before 28 April 2023.

Nimish Patel  
**Ombudsman**