

## **The complaint**

Mr C complains about Royal & Sun Alliance Insurance Limited (RSA) and the decision to cancel his motor insurance policy.

## **What happened**

On 4 August 2022, Mr C took out a motor insurance policy underwritten by RSA. This policy was reviewed by RSA and in mid-September, RSA emailed Mr C explaining they needed additional information from him to validate his policy. This information included proof of address dated within the previous three months, and original proof of his No Claim Bonus (NCB).

Mr C attempted to send this information to RSA on several occasions. But RSA were unable to accept the initial proof of address Mr C sent, as well as the NCB evidence he'd provided. RSA emailed Mr C on 3 October and 18 October setting out the documents they still required. And in the email dated 18 October, RSA explained that if this information wasn't received by 25 October, Mr C's policy would be cancelled.

Mr C called RSA to discuss this on 20 October. And again, RSA set out the information that was needed. Mr C says he ended this call expecting a call back from RSA, but no call back was received. And Mr C didn't provide any further information after this date. So, RSA wrote to Mr C confirming his policy had been cancelled on 27 October. Mr C was unhappy about this, so he raised a complaint.

Mr C didn't think RSA's decision to cancel his policy was fair. He felt he'd provided the information RSA had requested. And he thought RSA's failure to call him back had impacted his ability to ensure he complied with their document request. Mr C explained due to the cancellation, he'd been unable to take out insurance elsewhere due to the increased price and this had impacted his ability to care for his family. So, he wanted the cancellation to be removed and to be compensated for the upset he'd been caused.

RSA responded to the complaint and didn't uphold it. They thought the policy had been cancelled in line with the terms and conditions of the policy, as no valid NCB documentation had been provided. And they thought they'd acted fairly when trying to obtain this information, explaining they had extended the time Mr C had to provide this. So, RSA didn't think they needed to do anything more on this occasion. Mr C remained unhappy with this response, so he referred his complaint to us.

Our investigator looked into the complaint and didn't uphold it. They were satisfied that RSA were able to cancel Mr C's policy if they felt they hadn't received documentation they had requested. And our investigator thought RSA acted reasonably when not accepting the NCB documentation Mr C had sent before the cancellation was confirmed. They did recognise why Mr C expected a call back following the conversation between himself and RSA on 20 October, but even though they accepted there was a misunderstanding, they didn't think this meant RSA had acted unfairly as they felt Mr C would still have been aware of what he was required to send, and by when. So, our investigator didn't think RSA needed to do anything more.

Mr C didn't agree. He maintained his view that RSA's request for information wasn't clear and that he'd been disadvantaged by the lack of a call back. And he provided a recent letter from his previous insurer, confirming the NCB he had and when his previous policy had been cancelled. As Mr C didn't agree, the complaint has been passed to me for a decision.

### **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'm not upholding the complaint for broadly the same reasons as the investigator. I've focused my comments on what I think is relevant. If I haven't commented on any specific point, it's because I don't believe it's affected what I think is the right outcome.

First, I want to recognise the impact this complaint has had on Mr C. I recognise Mr C has recently sent our service a letter from his previous insurer, which confirms the NCB he was entitled to. So, I can understand why Mr C would feel unfairly treated, as RSA cancelled his insurance policy as they were unable to verify the NCB that I'm satisfied he had fairly amassed at the time. And I don't dispute Mr C's testimony that, due to the cancellation recorded by RSA, his ability to obtain alternative insurance has been impacted as he would've needed to declare this cancellation and I think it's likely premium quotes increased because of this.

But for me to say RSA should remove the cancellation or compensate Mr C for distress and inconvenience he's been caused, I first need to be satisfied RSA have done something wrong. So, I'd need to be satisfied that RSA failed to act within the terms of the policy Mr C held when cancelling it. Or, if I think they did act within these terms, that they were unfair to do so. And in this situation, I don't think that's the case.

I've seen the terms of the policy Mr C held. And these explain within the section titled *"Cancelling your policy"* that *"Where there is a valid reason for us to cancel your policy we will do so by giving you at least seven days' notice either in writing to your last known address or by email. We will confirm any action required from you, together with the date from which the policy will be cancelled if you do not comply with our requirements."*

The policy terms then go onto list a non-exhaustive list of what they deemed to be valid reasons. And this list included *"Failing to provide information or documentation requested by us. This could include but is not limited to proof of No Claim Bonus"*

In this situation, I can see in an email sent to Mr C on 18 October 2022, RSA explained they still required *"Original proof of your No Claim Bonus"*. And the email explained that if Mr C didn't get in touch with RSA providing the information request, that email counted as the seven days cancellation notice, stating clearly that the policy would finish on 25 October at midnight.

So, I'm satisfied that RSA acted in line with the terms of the policy when cancelling it, as they were able to do so if Mr C failed to provide information they requested. And I'm satisfied they gave Mr C the required notice before doing so. But as I've explained above, I've also considered whether this was fair.

I recognise Mr C doesn't think it was, as he feels he provided the necessary information and that RSA failed to call him back after 20 October. So, I've thought about this at length.

I've carefully considered the NCB information Mr C did send to RSA. I note that this

information was sent in photo format, with only parts of the documentation being shown. I can see that this information shows his previous policies renewal quote. And it does show that there were 9 years NCB. But, crucially, this was amassed against a different vehicle registration to the one he wanted to insure with RSA. And this renewal document was from February 2022, which was six months before Mr C took out the new policy with RSA. So, while this document showed that Mr C may have had 9 years NCB in February 2022 against a previous car, I don't think it gave enough information that could satisfy RSA that this NCB was still in place over the six months between this renewal document, and when he took out the policy with them.

I also note that Mr C sent the evidence in as a screenshot copy via email, when I think RSA's document requests made it reasonably clear the original NCB documentation was required. And due to the way the photo's were taken, I can't see that the NCB was stated on headed paper, with a date or a date of cancellation relating to the previous policy. So, for these reasons, I don't think I can say RSA have acted unfairly when deciding this documentation failed to validate the NCB Mr C's policy with them was based upon.

I also note that since RSA cancelled Mr C's policy, and since his complaint has been with our service, Mr C has been able to obtain a document from his previous insurer which confirmed the NCB and the cancellation date of the previous policy. So, I'm satisfied that Mr C was able to obtain the information RSA required. If there was any delay in obtaining this from his previous insurer, this would be Mr C's previous insurers responsibility, and not RSA. And as this wasn't provided to RSA before 25 October 2022, I don't think this impacts the decision I've reached.

I've also listened to the call recordings of Mr C's conversation with RSA on 20 October. And I think it's clear there was a misunderstanding between Mr C and RSA, and I can understand why Mr C may have felt a call back was due. But I don't think this call back was agreed before Mr C terminated the call. And even if it had been agreed, at this point I think Mr C was reasonably aware he needed to provide different documentation to what he'd already sent. And I think he was aware of when this needed to be sent by. So, if a call back had been agreed and not been complied with, I would've expected Mr C to contact RSA again before 25 October to ensure he had time to obtain the necessary documentation. And I can't see he did.

So, while I do understand Mr C's frustrations and I don't doubt the impact he's experienced since in obtaining new insurance, I don't think I can say RSA have done something wrong that makes them responsible for this, or that means they should take further action. So, I don't think RSA need to do anything more on this occasion.

### **My final decision**

For the reasons outlined above, I don't uphold Mr C's complaint about Royal & Sun Alliance Insurance Limited.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr C to accept or reject my decision before 24 April 2023.

Josh Haskey  
**Ombudsman**