

The complaint

Mr D complains about U K Insurance Limited (UKI)'s handling of the renewal of his car insurance policy.

All references to UKI also include its appointed agents.

What happened

The details of this complaint are well known to both parties, so I won't repeat them again here. Instead, I'll focus on giving my reasons for my 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 agree with the conclusions reached by the investigator for these reasons:

- Mr D says he only received one of the emails UKI sent. UKI have provided screen shots to show the letters and text messages were sent – and the details it has on system match those Mr D has provided our service. So, although Mr D says he didn't receive some of UKI's correspondence, I'm satisfied it was sent.
- During the most recent renewal UKI said it migrated systems and there was an issue with Mr D's payment details which meant the policy reverted to being a manual renewal.
- The emails and messages UKI sent Mr D informs him to contact it by a specific date if he wanted to renew his policy, and that it would end if he hadn't. But as the policy had always renewed automatically, and there was no indication this had changed, I'm not persuaded this alone would be enough to inform Mr D something had changed, and he needed to act.
- UKI said it cannot call every customer directly, which is why it sends renewal invites. I accept this; however, Mr D had a policy with UKI for several years, and until the most recent renewal, the policy always updated automatically. Considering this is a significant change I would have reasonably expected UKI to have done more to bring this to his attention. Either by separate correspondence, or for it to be made clear in its renewal invites the policy would no longer automatically renew.
- Mr D later discovered he was driving without insurance as his policy was no longer in place. As a result, Mr D has been given six penalty points on his licence for driving without insurance. Considering the impact matters have had on him I think the amount of compensation recommended by our investigator, £500, is correct in recognising the distress and inconvenience Mr D has been in caused in the circumstances.

So for these reasons, I uphold this complaint.

Putting things right

To put things right I direct UKI to provide a letter of indemnity to Mr D. UKI will be entitled to retrospectively calculate the premiums Mr D would have had to pay while on cover during the time from the policy lapsing to the date Mr D obtained cover elsewhere.

UKI should also pay Mr D £500 compensation.

My final decision

My final decision is that I uphold Mr D's complaint.

To put things right I direct U K Insurance Limited to do as I've set out above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr D to accept or reject my decision before 19 April 2023.

Michael Baronti
Ombudsman