

## **The complaint**

Mr J complains about how Atlanta 1 Insurance Services Limited (“Atlanta”) administered his motor insurance policy.

## **What happened**

Mr J had a motor insurance policy arranged through Atlanta, which is a broker.

Mr J’s policy renewed in October 2022. Shortly afterwards, Atlanta says it contacted Mr J and told him he’d not disclosed a claim made by one of the other drivers on his policy.

It asked for an additional premium, and said he had seven days to pay it. Mr J said he didn’t receive any correspondence, so he didn’t pay.

Because Atlanta didn’t get payment, it cancelled Mr J’s policy. Mr J said he wasn’t told about this.

Atlanta chased him for the outstanding balance on his policy. Mr J contacted Atlanta to ask why, and he was told his policy had been cancelled four weeks previously and he’d been driving without insurance during that period.

He complained. The insurer of the policy, who’d asked for the additional premium, confirmed that it hadn’t asked for the policy to be cancelled. So Mr J’s complaint is against Atlanta as the broker who cancelled his cover.

Atlanta said it would waive its £50 cancellation fee, leaving Mr J with £48.38 still to pay. It said it hadn’t made any errors with cancellation of his policy.

Mr J remained unhappy and brought his complaint to this service. Our investigator looked into it and upheld it. She thought Atlanta should waive all of its charges and pay Mr J £150 for his distress and inconvenience.

Mr J accepted the view, but Atlanta didn’t respond. Because Atlanta didn’t respond, the complaint has been passed to me to make a final 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 upholding Mr J’s complaint and I’ll explain why.

When I reviewed the file of evidence I’ve been supplied, I listened to Mr J’s call to Atlanta when he found it had cancelled his policy. It’s clear from that call that Mr J was shocked to discover what had gone on and his confusion and distress is clear to me.

In other parts of the file I can see that Atlanta has supplied versions of the correspondence it says it sent him. I can see there are several about the additional premium, and more about

not receiving payment from him. The only correspondence Mr J says he received was the later parts of this, chasing payment.

Our investigator asked Atlanta to provide evidence that all of its correspondence had been sent to Mr J, but it didn't respond to her questions. I'd expect Atlanta to have sent all of its correspondence to Mr J by at least two different methods. But in this case, I can't see that it has sent it at all.

Atlanta's system notes don't seem to record many of these communication attempts either – but, for example, they do show it contacted Mr J repeatedly by text message to recover the money it says he owed, after it had cancelled his policy. I'm concerned that it didn't appear to use this system in the first place to contact him when his policy was in danger of being cancelled, when it was clearly available for use.

This seems to me to be very poor service indeed. Atlanta has failed to communicate with Mr J and it's left him uninsured for four weeks. I appreciate it says it contacted him, but the evidence it's supplied doesn't seem to confirm this.

The reasonable thing to do here is for Atlanta to waive any outstanding charges on Mr J's account. I also think its poor service has led to Mr J being distressed and inconvenienced, so I think it should also pay him £150 for this.

### **My final decision**

For the reasons set out above, my final decision is that I uphold this complaint. I direct Atlanta 1 Insurance Services Limited to:

- Waive the outstanding balance on Mr J's account.
- Pay him £150 compensation for its poor service.

Atlanta 1 Insurance Services Limited must pay the amount within 28 days of the date on which we tell it Mr J accepts my final decision. If it pays later than this, it must also pay interest on the amount from the date of my final decision to the date of payment at 8% a year simple.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr J to accept or reject my decision before 11 July 2023.

Richard Sowden  
**Ombudsman**