

The complaint

Ms B complains The National Farmers' Union Mutual Insurance Society Limited ('NFU') have unfairly cancelled her buildings insurance policy.

All references to NFU 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:

- It's reasonable for NFU to request information to validate the claim. Ms B had need for NFU to adapt how it communicated with her. And I can see that it made reasonable attempts to do this - and communicated this to its adjuster.
- NFU cancelled the policy as it said Ms B failed to provide enough information before withdrawing the claim.
- Ms B was taking steps to respond to NFU's questions. And was providing information. However, I can see Ms B said to NFU in September 2022 that she decided to withdraw claim – pointing towards stress and declining health.
- I don't think this is unreasonable considering what Ms B has said about her condition. A claim like this is a naturally stressful situation, but I think claims across two policies, with multiple communications, particularly in the initial stages of the claim, would be particularly stressful. So, she decided to withdraw the claim. I don't think this meant Ms B was trying to be uncooperative.
- Often if an Insurer feels insufficient information has been provided for it to accept a claim, the claim is declined. However, it's not usual for a policy to be cancelled mid-term in these types of circumstances. And having considered everything, I don't think NFU were fair to cancel the policy for the reason it has.
- Having a cancellation of a policy on record can have a significant impact on a consumer and as I've set out above, I don't think NFU have acted reasonably in these circumstances in doing so. To recognise the distress and inconvenience caused to Ms B I think NFU should pay her £100 compensation and remove any cancellation markers it has reported from both internal and external systems.

So, for these reasons, I uphold this complaint.

Putting things right

To put things right NFU should:

- Remove any cancellation markers it has reported from both internal and external systems.
- Pay Ms B £100 compensation.

My final decision

My final decision is that I uphold Ms B's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms B to accept or reject my decision before 18 October 2023.

Michael Baronti
Ombudsman