

The complaint

Mrs H has complained that I Go 4 Ltd didn't cancel her motor insurance policy when she asked them to.

What happened

Mrs H's policy was due to renew on 22 February 2023. She sent an email to I Go 4 on 4 March 2023 to say she didn't want to renew her policy. However, Mrs H sent this from a different email address to the one she had given to I Go 4. It seems I Go 4 emailed Mrs H on 17 March 2023 to say that it could not trace her policy from the email they'd received on 4 March 2023. And Mrs H then emailed them from the email address I Go 4 did hold to say she had wanted to cancel her policy. In the end the policy was cancelled with effect from 30 March 2023 and I Go 4 asked Mrs H to provide proof she'd arranged alternative cover for her car. And they told her what she had to pay. Mrs H complained to I Go 4 about this. And I Go 4 issued their final response on 14 June 2023. In this they said they'd reduced the amount due by £100 and reminded Mrs H of the need for her to provide proof of alternative cover. They made it clear the outstanding amount due of £225.75 would stand until she provided this proof.

Mrs H asked us to consider her complaint about I Go 4. One of our investigators did this and said I Go 4 should backdate the cancellation of Miss H's policy to 4 March 2023 on the basis that it should have been clear to I Go 4 at this point that she wanted it cancelled.

I Go 4 did not agree with our investigator's view. They maintained that they had dealt with the matter correctly. In that it wouldn't have been right for them to cancel the policy because of Mrs H's email of 4 March 2023, as this wasn't from the email address they held for her.

The case was passed to me for a final decision. I emailed I Go 4 about it and said I agreed with our investigator that Mrs H's policy should be cancelled with effect from 4 March 2023. And that she should only be charged a premium for the cover she had between when her policy renewed and 4 March 2023, plus a cancellation fee of £35.

I Go 4 didn't agree with me on the basis it was not appropriate for them to take any action regarding the policy as a result of Mrs H's email of 4 March 2023. I went back to I Go 4 and pointed out that it seemed they'd emailed Miss H at the email address they'd held for her in response to her email of 4 March on 17 March 2023 to let her know they had no details of the policy. I further explained that I thought they should have done this on or soon after 4 March 2023 and that this would have resulted in Mrs H responding quickly and her policy being cancelled from this date. I said in light of this it remained my view that Mrs H should only be charged for the cover provided to her by the insurer and a £35 cancellation fee. I also sent a copy of the proof of alternative insurance Mrs H had sent to us showing she had another policy in place with effect from 26 February 2023.

I Go 4 responded to say that they'd sent the proof of insurance to the insurer and once they got confirmation from them this was acceptable Mrs H's policy would be marked as not taken up and the full balance due would be removed.

I emailed I Go 4 back on 21 September 2023 and said I would wait for confirmation of this. And I pointed out I had not received copies of Mrs H's emails to them of 4, 17 and 18 March 2023 and I asked them to send these again. I haven't heard anything further from I Go 4.

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.

As I've not had a response from I Go 4 to my email of 21 September 2023 and it is now a week on, I consider it appropriate for me to issue my final decision.

It remains my view that I Go 4 should have emailed Mrs H at the email address they held for her on or soon after 4 March 2023 in response to her email from her other email address. This would have meant she'd have realised she needed to respond from the email I Go 4 held for her and confirm she wanted her policy cancelled. She could then have done this more or less straight away and her policy could have been cancelled with effect from 4 March 2023. I appreciate I Go 4 have said there were no policy details in Mrs H's email of 4 March. I've not seen this email, despite asking for a copy of it and letting I Go 4 know I haven't received one. However, it's clear that I Go 4 were able to work out from this email that they needed to email Mrs H on the email address they held for her. The problem is they didn't do so until 17 March 2023.

I appreciate all businesses can have backlogs of emails and sometimes these cause a delay in them dealing with emails. And that this was the reason I Go 4 didn't email Mrs H on or soon after 4 March 2023. However, I don't think Mrs H should lose out because of I Go 4's backlog. And it's for this reason I think the cancellation of her policy should be backdated to 4 March 2023. This remains my view, despite the fact Mrs H has now provided proof of alternative cover with effect from 26 February 2023. I say this because it is up to her insurer whether they want to provide a refund for the period prior to 4 March, as I do not consider the fact the policy continued to this point was due to I Go 4's delay in responding to her email of 4 March 2023.

As I think I GO 4 should have cancelled Mrs H's policy on 4 March 2023, I also think it is only fair for them to charge a cancellation fee of £35, as this date was in what is described as the cooling off period. And – according to I Go 4's terms and conditions this is the appropriate fee for cancellation in this period.

Putting things right

For the reasons set out above, I have decided to uphold Mrs H's complaint and require I Go 4 to backdate the cancellation of her policy with them to 4 March 2023 and only charge her a £35 cancellation fee. This means they must recalculate the outstanding balance due on her policy to reflect a time on cover premium for the period 22 February to 3 March 2023 inclusive, plus the £35 cancellation fee.

If I Go 4 liaises with the insurer and they decide to charge Mrs H less than this, that is up to them, but this decision does not require them to do so.

My final decision

My final decision is that I uphold Mrs H's complaint about I Go 4 Ltd and order them to do what I've set out above in the 'Putting things right section'.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs H to accept or

reject my decision before 26 October 2023.

Robert Short
Ombudsman