

The complaint

Mr S has complained that he believes U K Insurance Limited (UKI) recorded that he owed it money from a cancelled car insurance policy for other insurers to see. Mr S says this is impacting the price he gets when he looks for car insurance elsewhere as it's much more.

What happened

Mr S bought a car insurance policy with the insurer, UKI. In February 2021 UKI automatically renewed his policy. Mr S said he didn't know UKI had done this. UKI wasn't able to collect the renewal premium and so in March 2021 it cancelled the policy and said Mr S owed a balance premium for the time it was on cover.

Under a previous complaint, UKI awarded Mr S £50 compensation, but incorrectly quoted the amount as £150 in a subsequent letter to him.

Mr S complained about the error and he believed UKI had recorded that he owed it money which was making it difficult for him to find affordable car insurance elsewhere.

In July 2023 UKI responded to Mr S's complaint. It said it had waived the outstanding balance due under the policy. It said it hasn't recorded that Mr S owed it money on any databases. UKI apologised for the error in its letter which said it had paid £150 compensation when the amount was actually £50.

UKI told us it hasn't recorded the cancellation of a policy for Mr S.

Our Investigator didn't recommend the complaint should be upheld. Mr S didn't agree. He remains unhappy about a previous complaint which was dealt with separately by this service, so doesn't form part of this decision.

Mr S asked for a final decision on this complaint. UKI accepted the Investigator's findings.

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.

I understand Mr S remains unhappy – but I haven't seen anything to show that UKI has recorded a marker against his name in relation to any money he previously owed, which has since been waived.

Mr S's previous complaints relate to the way UKI dealt with a claim made in February 2019 and the impact on his No Claims Discount. These complaints do not form part of my decision as they have been dealt with under a separate case with this service. So I have not commented on them here.

Mr S is correct that UKI made an error as it quoted that it had previously paid Mr S £150 compensation (under a previous complaint) but the amount awarded was £50. UKI has

apologised for the error. I think this is fair and reasonable – as the correct award had been £50.

My final decision

I'm sorry to disappoint Mr S. But for the reasons I've given above, my final decision is that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr S to accept or reject my decision before 27 February 2024.

Geraldine Newbold
Ombudsman