

## The complaint

Mr A complained that his “blackbox” motor insurance policy with Action 365 Ltd (“Action 365”) was unfairly cancelled. Mr A also complained that his policy auto renewed, and Action 365 didn’t refund his premiums when he alerted to it to him been dual insured. He was unhappy with the level of customer service he received.

## What happened

Action 365 gave Mr A notice and cancelled his policy when he didn’t provide the photographs it had requested to evidence the “blackbox” fitted in his car was faulty.

*Action 365 said “the new business telematics fee of £150.00 has been charged correctly as there is no evidence to suggest that the telematics device is faulty, and the charge is applicable as confirmed on page 4 of our policy terms and conditions. The insurer has confirmed that the cancellation of the policy does not need to be disclosed to future insurers and I have agreed to remove the cancellation fee of £75.00 as a gesture of goodwill. A total refund of £133.50 has been issued to the card securely”.*

Mr A was unhappy because he said he had conversations with Action 365 and said he was assured he could have an extension for providing the evidence.

Mr A was unhappy his policy auto renewed. Action 365 said it sent emails to Mr A notifying him of the impending renewal. It said Mr A didn’t inform them he didn’t want it to renew. So, Action 365 tried to collect the premiums from Mr A via his normal payment method. As Action 365 couldn’t do this, it cancelled the policy informing Mr A that there was an outstanding balance due (which included a cancellation fee for the short time the policy was in operation).

Action 365 did apologise however, as it hadn’t acted on an email sent by Mr A informing it he had insurance elsewhere. So, Action 365 backdated the cancellation to the date of the letter Mr A sent and it waived the cancellation fee of £75 as well as a further £20 administration fee. It left a small balance for Mr A to pay. Mr A was unhappy with how Action 365 dealt with the complaint and felt he suffered significant inconvenience due to Action 365’s poor customer service.

Action 365 thought it had tried to help Mr A where it could, and it said the issues Mr A was unhappy with was more down to a disagreement in how the cancellation was dealt with and due to Mr A calling the wrong department.

Our investigator decided not to uphold the complaint. She felt Action 365 had acted in line with its terms and conditions in cancelling the policy and in chasing outstanding debts. She also felt the administration fees waived adequately compensated Mr A for any poor service. Mr A disagreed, so the case has been referred to an ombudsman.

## 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.

Action 365 has provided final responses to two separate complaints by Mr A. I have reviewed all the points within both these complaints and will cover what I see as the main points.

It's worth pointing out that my role, is to decide on the complaint based upon the evidence both parties have put forward. I've noted Mr A has referred to two or three specific calls he had with Action 365 which he says proves certain aspects of his complaint. Action 365 have acknowledged there were several calls logged and Mr A has provided his phone log showing calls have been made.

However, both parties have provided different accounts to what was discussed on those calls. I can't decide based on this information as it's one word against the other. It wouldn't be fair to do so, as I don't have any evidence of what was discussed on these calls.

However, there is plenty of other evidence I can review.

I've first considered Mr A thought he hadn't asked for his policy to auto renew. I've noted that Mr A bought his policy via a comparison website – so no other party was involved in the inception of the policy.

Based on the information Mr A provided, Action 365 have shared all the information it sent Mr A when he took out the policy. I've reviewed the welcome letter Mr A received and have read a section that reads *"At renewal of your policy – you've chosen for your policy to automatically renew when the time comes, don't worry though, you'll still be able to let us know before your renewal if you change your mind"*.

Therefore, I think it's clear Mr A had opted to automatically renew. If Mr A didn't want to take this option, he could've alerted Action 365 at the time he took out his policy or any other time up to the renewal date. Therefore, I don't think Action 365 did anything wrong when it did renew the policy. I think it applied the charges appropriately in line with the terms and conditions of the policy.

I can see there was a problem when this policy was cancelled as Mr A had arranged alternate insurance cover. However, Action 365 recognised this and backdated the cancellation, so the charges applied were correct. It also waived just under £100 in administration fees. I think this is proportionate to the error it had made and reasonably reflects the distress and inconvenience Mr A suffered. I think Action 365 are entitled to recover any outstanding charges that Mr A hasn't paid, as the charges have now been amended and are accurate. So, I don't think Action 365 is at fault here, so I don't uphold this part of the complaint.

I've considered what happened when Mr A reported issues with his *"blackbox"*. Action 365 asked for photographs of the *"blackbox"* so it could start investigating if there was a problem with it. I don't think this is unreasonable. It's important the box was working effectively in order that the policy could operate properly. So, I think when Mr A wasn't forthcoming with the evidence, it was reasonable of Action 365 to provide notice of cancellation in line with the terms and conditions of the policy.

I appreciate Mr A said he'd agreed an extension to the cancellation. But, I haven't seen any evidence to support this. I see the notice period given was one week. I think this is reasonable. It gave Mr A plenty of time to provide a photograph of the box. I don't think he needed longer. Action 365 then cancelled the policy when it didn't receive this information. I

think it has acted fairly, as it gave Mr A notice, and it acted in line with its terms and conditions. So, I don't uphold this aspect of the complaint.

Finally, I've considered Mr A's testimony that he'd spent a long time speaking to Action 365's call centre and he is claiming a significant level of compensation. I don't think it's reasonable for Mr A to expect further compensation to what he's already received. Having reviewed the case, I can see some of the issues were due to Mr A calling the wrong department or for contesting issues where I don't think Action 365 had acted in error. Therefore, I don't uphold this aspect of the complaint.

I appreciate this will be disappointing to Mr A but it's important for any policy documentation to be thoroughly reviewed when a policy is taken out. And it's equally important for consumers to comply with requests for information in relation to the policy. In these circumstances, I think Action 365 has dealt with the issues correctly.

### **My final decision**

My final decision is that I don't uphold this complaint. I don't require Action 365 Ltd to do anymore.

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

Pete Averill  
**Ombudsman**