

## **The complaint**

Mrs W and Mr W complain that U K Insurance Limited (UKI) didn't update their car's details and so they weren't prompted to renew their motor insurance policy. They want compensation and their subsequent costs to be covered after Mrs W was stopped by the police. Mrs W is a named driver on Mr W's policy.

## **What happened**

Mrs W and Mr W took out a policy with UKI but didn't opt for automatic renewal. They changed their car mid-term and told UKI, but this didn't update this on front page of their online portal. UKI sent Mrs W and Mr W notices that their policy was due to expire, but they didn't respond and so the policy expired.

Mrs W was later stopped by the police for driving whilst uninsured and she had points put on her licence. UKI agreed it hadn't updated the car details on the front page and it offered £100 compensation for the inconvenience this caused. But it said it had followed the correct procedure for the renewal.

Our Investigator didn't recommend that the complaint should be upheld. He thought UKI not making the change of car on the front page had caused confusion and its compensation offer for this was fair and reasonable. But he thought UKI had sent the renewal invite and reminder to the correct email address. And he thought Mrs W and Mr W should have been prompted by the incorrect car details to contact UKI. But they hadn't accessed the portal.

Mr W replied that he thought it was unfair that he'd been caused harm by UKI's IT issues. He said he'd rejected the compensation offer. He asked for an Ombudsman's review, so his complaint has come to me for 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.

Mr W has explained that Mrs W was stopped by the police, her car was seized, and she was awarded six points on her licence for driving whilst uninsured. He said this matter had cost about £1,000. And so I can understand that he feels frustrated that UKI has declined full responsibility for this.

Mr W said he was caused confusion because when he changed his car, the old car's registration still showed on the front page of his online account. UKI said this may be caused by a system issue and Mr W said he thought this had now been corrected.

But UKI said the details on the further pages of the online account were all correct. And I can see that the emails prompting renewal contained the new car's registration.

Motor insurance is a legal requirement. So, we expect insurers and intermediaries to take reasonable steps to explain that the insurance is going to end. And they're required to give consumers enough time to make an informed decision about what they want to do – i.e. renew the policy or take out a different one.

We'd usually expect them to do more than send one letter or email warning of the policy lapsing, although this could include one to say the policy was lapsing and one to say it had lapsed.

And I can see that UKI sent Mr W an email notifying him of the policy's expiry 24 days before renewal. And then it sent him a reminder 10 days later. The emails quoted the premium for the coming year compared to the previous one. And they gave sufficient information about what Mr W needed to do if he wanted to renew his policy. So I'm satisfied that UKI reasonably reminded Mr W about the policy's expiry in keeping with our approach.

Mr W hasn't said he didn't receive the emails. I can see that they were sent to the correct address. But he said he ignored them as he received many marketing and information emails from UKI. But I can't reasonably hold UKI responsible for him ignoring the renewal emails.

Mr W also said that when he'd changed the car, he thought the policy would run for twelve months, not just to the end of the current policy. But I can't say that this is correct. I can see that the update UKI sent him after he changed his car said the policy would expire in about six months' time.

So I think UKI reasonably followed our approach to renewals of car insurance. The one error it has accepted was that the change in car registration wasn't showing on the front page of Mr W's online account.

Mr W agrees that he accessed the online portal some months after he changed cars. But he didn't access it after he was sent the renewal invites. Mr W said that if he'd seen the new car's registration and the expiry date on the portal he may have been prompted to contact UKI. But I can't see why he wasn't earlier concerned that the registration for the old car but not the new car was then showing on the front page.

UKI accepts that the error on the front page of the online portal may have caused confusion. But I'm satisfied that UKI sent the renewal invites in a reasonable time before the policy was due to expire. Mr W didn't renew his policy so I can't say that UKI is responsible for the unfortunate consequences or needs to indemnify him. And I think UKI's offer of £100 compensation for any inconvenience caused is fair and reasonable as it's in keeping with our approach where there's been an administrative error.

### **My final decision**

For the reasons 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 Mrs W and Mr W to accept or reject my decision before 4 September 2024.

Phillip Berechree  
**Ombudsman**