

The complaint

Miss R complains about I Go 4 Ltd's ("IGO4") handling of her motor insurance renewal. She feels the price quoted was too high and she wasn't given sufficient notice of the renewal.

What happened

Miss R had a policy which was arranged by IGO4, acting as a broker. Miss R says the following year she noticed the policy had renewed at a price which was significantly higher than what she'd paid the previous year. Miss R called IGO4 and complained that her policy had renewed without her being notified of this in advance.

IGO4 responded and explained they sent a renewal invite to Miss R in advance of the renewal date quoting the renewal price. They said this email also confirmed they would be automatically renewing the policy. IGO4 said a later email was then sent to Miss R confirming her policy had been renewed. IGO4 said sufficient correspondence had been sent to Miss R to notify her of the automatic renewal of her policy and, as they didn't hear back, the correct process was followed to automatically renew the policy. IGO4 said if Miss R does wish to cancel her policy, then she'll be charged for the time on cover but, as a gesture of goodwill, they would waive the cancellation fee of £65. IGO4 said, if Miss R had purchased alternative insurance from the renewal date, then upon proof of her certificate of motor insurance with her new insurer, IGO4 would refer the details to their appointed insurer to backdate the cancellation. Miss R did then cancel her policy.

Our investigator looked into things for Miss R. He thought IGO4 hadn't acted unfairly in arranging the renewal of Miss R's policy and had provided sufficient notification of this. Miss R disagreed so the matter has come to me for a 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've decided not to uphold the complaint. I understand Miss R will be disappointed by this but I'll explain why I have made this decision.

I think it's important here to make clear I'm looking at IGO4's actions as a broker. It's for an insurer to consider the risks associated with providing cover and to price a policy. In this case, IGO4's role is to approach their panel of insurers to get quotes based on Miss R's requirements for insurance cover.

I understand Miss R is concerned about the price, but that would be a complaint against the insurer. I have though considered IGO4's role in the renewal process and the steps they took in obtaining a quote and presenting this to Miss R. IGO4 say, when they carry out a search at renewal, all available insurers present a price, and they then offer the most competitive quote to the customer. In this case, IGO4 have provided our service with all responses received from their panel of insurers together with the quotes. And I'm satisfied they presented Miss R with the most competitive quote.

I think it's also fair and reasonable in the circumstances for brokers to present any quote in sufficient time for a customer to carry out their own search and make an informed decision on whether the policy being offered is best value for them. And I'm satisfied that's the case here. The policy terms and conditions say IGO4 will automatically renew most policies and, *"...unless You tell IGO4 otherwise, Your new insurance Cover will start on Your renewal date. If IGO4 intend to automatically renew Your policy they will tell You on Your notice of renewal."*

I've seen the renewal invite, which was sent by email to Miss R at least three weeks prior to the renewal date and, as well as setting out the renewal price, it said, *"Your insurance is due for renewal on the 20 January 2024. If we don't hear from you, we'll renew your policy automatically up to 4 days before your renewal date, ready for your cover to continue from 20 January 2024 to make sure you're always covered."* So, I think IGO4 did give Miss R sufficient time and notice of the renewal and, in doing so, they acted in line with the policy terms and conditions. And, given the information set out in the renewal invite, I think this gave Miss R an opportunity to decline it and look for alternative cover if she wasn't happy with the price. The policy terms and conditions set out circumstances where IGO4 won't automatically renew a policy. But I haven't seen any evidence any of those circumstances applied to Miss R.

I acknowledge Miss R says she didn't receive the renewal invite, and it was only when she checked later that she realised the email had gone into her junk folder. I do understand therefore why Miss R may have missed the renewal invite, but I've seen the email which was sent, and this is addressed correctly so I can't say IGO4 have made an error here. It's unfortunate this wasn't seen by Miss R at the time, but the information shows this was delivered and I can't see there was any evidence which would've suggested to IGO4 that Miss R hadn't seen the renewal invite. IGO4 have also sent evidence which shows two text messages were sent. One which explained a renewal invite was on its way and that the policy would be automatically renewed, and another around three weeks later letting Miss R know her policy had been renewed. I can see an email was also sent at the same time thanking Miss R for renewing her policy. I acknowledge Miss R says she didn't receive the text messages, but even if I don't take these into account, the information still shows that IGO4 sent the renewal invite in line with the policy terms and conditions.

I note Miss R says that, due to IGO4 taking payment from her bank account, she was left overdrawn and therefore incurred bank charges. I am sorry to hear about the impact this event has had on Miss R, but for the reasons I've explained, I can't say IGO4 have acted unfairly here in how they arranged and handled Miss R's renewal.

My final decision

For the reasons I have given, it is my final decision that the complaint is not upheld.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss R to accept or reject my decision before 28 October 2024.

Paviter Dhaddy
Ombudsman