

## The complaint

Mr M has complained that AXA Insurance UK Plc (trading as Moja) cancelled his car insurance policy rather than allowing him to cancel it himself.

## What happened

The policy was applied for online on 31 May 2024 with a start date of 28 June 2024. On 6 June 2024 AXA asked Mr M for some documentation to verify his application. He rang AXA the same day, wishing to cancel the policy, as he considered he was allowed to do within the cooling off period. AXA stated that, as it had started the verification process, any cancellation would have to be recorded as a cancellation by the insurer. It requested the documents again on 20 June 2024, before finally cancelling the policy on 27 June 2024.

I wrote a provisional decision last month in which I explained why I was thinking of upholding the complaint and awarding £200 for distress and inconvenience.

AXA didn't respond to the provisional decision. Mr M made some additional comments that I will address below.

## 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.

AXA's position is that, because the verification process had started, the only options were for Mr M to provide the requested documents and then cancel, otherwise it would be recorded as a cancellation by the insurer. From Mr M's point of view, he'd found cheaper cover and so wanted to cancel this policy, so why would he need to provide his documents. Looking at the policy terms, with regard to cancellation, they state:

*'.....We also carry out checks while you're on cover with us to ensure the details supplied are correct and we may ask you to supply documents to support policy information.....'*

*If you refuse or are unable to provide us with this information, we may have to:*

*a) declare your policy void from inception (this means treating it as if it never existed) and we may not return any premium paid.'*

As I said in my provisional decision, I appreciate AXA's position that it had concerns about the application and therefore wanted to carry out further checks, which it was entitled to do. However, any action needed to be in line with the policy's terms and conditions.

According to the above policy wording, a policyholder has to be on cover at the time of those checks. Mr M's policy was not due to go live until 28 June 2024. So it had not started on 6 June 2024 when Mr M asked to cancel it. And it had still not started on 27 June 2024 when

AXA cancelled it. The bottom line is that Mr M cancelled the policy (or asked to cancel it) before AXA did.

As a result of the policy being cancelled, Mr M took out a series of expensive temporary policies. However, as I said in my provisional decision, I didn't think he'd helped himself in avoiding those costs because he seemed to have just resigned himself to AXA cancelling the policy without taking any steps to try and provide the required information. In response he says he wasn't given the option to provide alternatives or negotiate an extension in the time to provide documents. However, having listened to the call on 6 June 2024 he says he hasn't got the V5 because he bought the car at auction. He's then told that it might be acceptable to provide the purchase information from the auction instead. He's now asked how he was supposed to provide proof of purchase if it was never mentioned as an option when the original agreement was made. But I presume he must have something to prove he purchased the car which he could have shown to AXA. During the call he only says that he can't provide the information, not that he needs more time to provide it.

Also, from what Mr M has said, he doesn't seem to have put too much effort into trying to find his NI number either. So, I'm still of the view that he didn't do all he could to mitigate his losses.

I've thought about what Mr M has said, including what he's said about the time taken for his complaint to be dealt with and the impact that's had on him, especially as a young person. However, overall, I haven't been persuaded to change my opinion from that reached in my provisional decision.

### **My final decision**

For the reasons I've explained, I uphold the complaint and require AXA Insurance UK Plc (trading as Moja) to remove the cancellation marker from any internal or external database so that Mr M does not need to declare it. It should also pay Mr M £200 compensation for distress and inconvenience.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr M to accept or reject my decision before 6 May 2025.

Carole Clark  
**Ombudsman**