

The complaint

Mr W complains that UK Insurance Limited trading as Direct Line (UKI) didn't cancel his breakdown policy when he asked them to and provided poor customer service following him noticing and asking again for cancellation.

What happened

In August 2023 Mr W changed his car, and he says he wrote to UKI to let them know, and that he no longer needed breakdown cover.

In 2024 Mr W received a renewal quote for breakdown cover, based on the details of the car he no longer owned.

Mr W wrote to UKI and asked them to cancel the renewal and refund the premiums for the previous year. He also queried the policy price increase and asked for a quote for his new vehicle.

He wrote several times and each time UKI responded saying that they didn't process policy transactions by post and so would need him to make contact a different way – by phone or webchat.

Mr W was unhappy with this and he complained. In their response, UKI didn't uphold the complaint, but they did agree to refund the policy premiums on receipt of evidence that the car had been sold. They subsequently refunded premiums back to the sale date of the car following receipt of this evidence.

Mr W was unhappy with the customer service provided throughout and brought his complaint to us.

One of our investigators has looked into Mr W's complaint and he thought that UKI refunding the premiums was a fair outcome.

Mr W didn't agree and so the case has come to me to decide.

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'm not upholding this complaint, and I'll explain why.

The cancellation

Mr W says that he sent UKI a letter cancelling his policy and he has provided a copy of this letter. However, he hasn't been able to provide any evidence of postage, or it being sent by email and UKI say they haven't received it. So, I'm unable to say that UKI have made a mistake here in not cancelling the policy at the time the car was sold.

I also consider that if Mr W knew he had cancelled the policy in August 2023, then the continuing debits from his account in respect of it should have alerted him to the fact that the cancellation hadn't been processed.

Following the notification of the renewal, Mr W wrote to UKI several times and asked for the premiums to be refunded, and also said that his communication preference was written communication.

However, UKI repeatedly advised him that he needed to contact them by phone to cancel the policy and obtain a new quote if he wanted one. Mr W also had the option to use the webchat facility, if he wasn't happy communicating by phone.

I don't think that UKI have acted unreasonably here. They will have wanted to undertake security checks with Mr W before cancelling the policy or providing further information, to ensure that they were dealing with Mr W directly, and to protect him from fraud. In addition, Mr W hasn't indicated that the written communication is required as part of a reasonable adjustment - so I don't think asking him to contact them by phone or webchat is unreasonable in these circumstances.

I'm pleased to note that UKI have refunded the policy premiums in full after Mr W provided UKI with a copy of the vehicle's sale invoice showing that the car had been sold before the policy renewal in 2023, and this is what I would have expected them to do, and is a fair outcome.

I appreciate that Mr W considers that he has had poor customer service, but as I don't think that UKI have done anything wrong here, I don't consider that any further award is appropriate.

My final decision

My final decision is I'm not upholding Mr W's complaint about UK Insurance Limited trading as Direct Line and so they don't need to do anything further.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr W to accept or reject my decision before 8 May 2025.

Joanne Ward
Ombudsman