

## **The complaint**

Mr B complains that Devitt Insurance Services Limited ("Devitt") cancelled his motorcycle insurance policy a day early, which resulted in a declined theft claim.

## **What happened**

Mr B contacted Devitt to confirm he was leaving the country and wanted to cancel his policy. He said he informed Devitt's agent that his motorcycle would be put in storage on 16 October 2024. He understood that cover would expire at the end of the day on this date. When his motorcycle was stolen on 16 October he contacted Devitt. It told him his policy ended on 15 October so there was no cover in place for his theft claim.

Mr B didn't think Devitt had been clear in its communication over the phone or in its subsequent email confirming the date his policy would cancel. He said there was no time mentioned. So, it was reasonable for him to assume cover was in force until 11.59pm on 16 October 2024. Mr B also raised concerns that he drove his motorcycle uninsured. Had an accident occurred or the police pulled him over, he said it would have put him in a difficult position.

In its final complaint response Devitt said when Mr B called on 14 October 2024 he advised its agent that he no longer needed cover as of 16 October. It said Mr B asked its agent to clarify that as of 16 October his insurance was no longer valid. The agent confirmed this was correct.

In its response Devitt said it sent Mr B a letter after his phone call. This confirmed the policy was cancelled effective from 16 October 2024. Devitt told him this meant there was no cover in place on this day.

Mr B was unhappy with Devitt's response and brought his complaint to our service.

Our investigator didn't recommend the complaint be upheld. She thought the business cancelled Mr B's policy correctly based on his instructions. She said its communication had been clear regarding the date the cancellation would be effective from.

Mr B disagreed with our investigator's findings and requested that an ombudsman review his complaint. He said the time of the cancellation should have been confirmed. As it wasn't this led him to believe cover was still in place on 16 October 2024.

The complaint has been passed 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.

Having done so I'm not upholding Mr B's complaint. I'm sorry to disappoint him but I'll explain why I think my decision is fair.

We expect Devitt to provide clear and timely information to all its customers so they can make informed decisions. I've thought carefully about whether it did so in Mr B's case.

I've listened to the call between Mr B and Devitt's agent from 14 October 2024. The call lasts just under seven minutes. Mr B explained that he was moving abroad and would be storing his motorcycle. He told its agent that he would be "*SORN'ing it*". This is a reference to making a 'statutory off-road notification'. This is a requirement when taking a vehicle off the road so as to negate the requirement for paying tax and insurance.

In the call Mr B confirmed that he was leaving the country on 17 October 2024. He said that as of 16 October, when his motorcycle went into storage, he won't need cover. Mr B goes on to tell the agent that he's calling so Devitt can cancel the policy. Cancellation charges are then discussed. The agent explained that once cancelled the policy can't be reinstated. Mr B queried why the cancellation charge was so high. Devitt's agent confirmed she could reduce the cancellation charges to £30 and asked Mr B if he was happy to go ahead with that. He agreed and the agent confirmed the policy cancellation had been processed.

Mr B then said, "*so effective as of the 16<sup>th</sup> my insurance is no longer valid*". Devitt's agent responds with, "*that's it*".

Having listened closely to this recording, it's clear Mr B told Devitt's agent he was storing his motorcycle on 16 October 2024. He said that as of this date he would no longer need cover. He also stated the effective date his insurance would no longer be valid from was, "*as of the 16<sup>th</sup>*". Based on the discussion that took place I think it's reasonable that Devitt's agent took this to mean that cover would end on 16 October. This meant no cover was in place on this date.

I can see that Devitt sent Mr B a letter by email dated 14 October 2024. The letter said:

*"Your policy has been cancelled with effect from 16<sup>th</sup> October 2024.."*

Again, I think this reasonably confirmed the date on which the cancellation came into effect was 16 October 2024. Meaning there was no cover in place from this date forwards.

Mr B's policy documents don't give a definition of what an effective date means. But a definition taken from an online dictionary says that "*with effect from*" is something that will begin to apply or be valid immediately.

I've thought carefully about what the average person would have understood from the information given by Devitt. Based on what I've read I think the effective date, or with effect from date, is the date that the cancellation will begin to apply. Based on what Mr B confirmed with Devitt's agent, and from its letter dated 14 October, it was explained that no cover was in place from 16 October onwards.

I acknowledge Mr B's comments that Devitt didn't give a time, only a date when cover ended. But I don't think this is uncommon in the insurance industry. For example, Mr B's policy schedule gives an expiry date for his policy. But there is no time specified.

I'm naturally sympathetic to Mr B's situation. But I don't think Devitt was unclear in how it communicated the cancellation of his policy. I'm satisfied that with effect from 16 October 2024 means there was no cover in place on that date. Mr B said he assumed the cover would run until 11.59pm on this date. But there's nothing I've seen that supports this was confirmed or indicated to him. If Mr B intended using his motorcycle, I think it would have been reasonable for him to check with Devitt if cover was actually in place on 16 October. I can understand his concern that he used his motorcycle when he wasn't insured to do so.

But based on what I've read I don't think this was Devitt's fault or that it treated him unfairly. So, I can't reasonably ask it to do anymore.

### **My final decision**

My final decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr B to accept or reject my decision before 24 June 2025.

Mike Waldron  
**Ombudsman**