

## The complaint

Mr H complains about the auto renewal of his roadside assistance policy with Automobile Association Insurance Services Limited (AA).

References to AA in this decision include their agents.

## What happened

Mr H had a roadside assistance policy with the AA, which came up for renewal in October 2024. He didn't plan to renew the policy as he had a difficult experience the previous year when he had a breakdown, where the AA estimated it would take three hours to provide assistance, leading Mr H to resolve the situation himself.

However, the policy automatically renewed, with the AA collecting the full annual premium of £80.46 and confirming the renewal through an email. However, Mr H said he hadn't received any renewal notice and the first he was aware the policy had renewed was when he noticed £80.46 had been debited from his back account. Mr H said he had also been trying to log into his account through the AA app but had been unable to do so.

Unhappy at the policy automatically renewing without his knowledge or consent, Mr H complained to AA.

In their final response, issued in January 2025, AA said they issued a renewal notice in late-August to the email address for Mr H, linked to his membership. The email noted his policy would automatically renew in October 2024. AA said they also issued a confirmation of policy renewal in October 2024. On the issues with accessing the AA app, AA said the app did face issues and was commonly due to a system error. Or when a policy was close to renewal, where the policy went into renewal cycle, which caused the app to consider a policy to be inactive. Based on their findings, AA didn't uphold the first part of Mr H's complaint (policy renewal) but did uphold the second (issues with the app).

Mr H then complained to this Service. He said AA automatically renewed his policy and debited his account with the full premium for the year, without sending a renewal quote or his consent. He was also unable to log into the AA App, making it impossible to use the service, or otherwise contact the AA. He generally shopped around to find the most competitive deal, so was concerned to receive a bank notification of the premium being taken after the fact. He thought best practice was for AA to send a renewal quote one month before renewal, to provide the chance to agree or disagree with the renewal. Irrespective of what the AA quote would have been, he didn't wish to renew the policy as he had a disappointing experience when he broke down the previous year. Automatic renewal of the policy cost him £80.46. Without a renewal notice, AA taking the premium had left Mr H short that month as he hadn't budgeted for the amount. He wanted AA to return the premium they'd collected.

Our investigator didn't uphold the complaint, concluding AA didn't need to take any action. He noted the policy was taken out in 2021 and set up to renew automatically, which it had in subsequent years without any issues. And there was no evidence Mr H had sought to cancel the automatic renewal of the policy. AA emailed Mr H in August 2024, to the same email

address used in previous years, giving notice of the policy renewal. The policy renewed in October 2024, with a confirmation email giving details of the 14-day cooling off period. As Mr H complained in January 2025, outside the period, no refund of premium was due, which is what the policy terms and conditions provided for.

Mr H disagreed with the investigator's view and asked that an ombudsman consider the complaint. He said there was no evidence to confirm he ever received a renewal invitation, either by letter or email (and provided examples of other policyholders on social media saying they didn't receive renewal invitations). Nor did he think it fair he was charged a full year's premium when he hadn't used the service provided under the policy in any way. He'd provided evidence the AA customer portal wasn't working (for some weeks) which AA had also acknowledged. This also suggested they hadn't issued the renewal invitation. He's also not received confirmation of his cancellation request, some months after his complaint, leading him concerned the policy would automatically renew later in the year. Given his poor experience when he broke down, he didn't want to renew the policy and would have communicated this at the point of policy renewal – had he had the opportunity through a renewal invitation or a working customer portal.

### **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.

My role here is to decide whether AA have acted fairly towards Mr H.

The main issue in Mr H's complaint is that AA renewed his policy without issuing a renewal notice and took the full year's premium from his bank account without his knowledge or consent. Mr H also says the AA app had issues, restricting his ability to access the service. AA say they issued a renewal notice to the email address they held for Mr H in good time before the policy was due for renewal, including the policy would renew automatically, the date the policy renewed and the collection details for the premium. They also issued a confirmation when it renewed.

When considering the issues in the complaint, I've looked at all the evidence and information available, both from Mr H and from AA. While Mr H says he didn't receive a renewal invitation, AA have provided a copy of the renewal invitation they say was issued to Mr H in August 2024, to the email address they held for Mr H. I've noted the email address AA say they used matches that provided by Mr H when bringing his complaint to this Service. So, on balance, I'm persuaded that a renewal invitation was issued, notwithstanding Mr H saying he didn't receive one. Mr H has also provided examples from social media of other policyholders not receiving renewal invitations and having their policies renewed without their knowledge or consent. However, of itself these examples don't prove Mr H didn't receive a renewal invitation and I have to consider evidence available in this specific case.

I've also noted what Mr H has said about the bad experience he had when he had a breakdown, leading him to not want to renew the policy. Accepting what he's said, it would have been open to him to contact AA to cancel the policy, or to do so at the point at which the policy was due for renewal – which I think it reasonable to conclude he would have been aware of when the renewal was due from having taken out the policy and it renewing in the following years.

Linked to this, AA have provided details of the policy, being taken out in October 2021 through the AA website, with the policy set to renew automatically. The policy automatically renewed after its inception, up to the renewal due in 2024. There's no indication that I've

seen that Mr H objected to this. And had he wished to cancel the automatic renewal of his policy, he would have been able to contact AA to do so.

AA have also provided a copy of the email confirming renewal of the policy in October 2024, including a 14-day cooling off period in which Mr H would have been able to cancel the policy and his premium refunded. But Mr H didn't contact AA until January 2025, outside the cooling off period.

Looking at the policy terms and conditions, they provide for a policy to be cancelled within the 14-day cancellation period after the renewal of a policy, when a refund of the premium will be given (unless the service provided under the policy has been used) less an administration fee. After the cooling off period, no refund will be provided. One of the points made by Mr H is that it is unfair he was charged a full year's premium when he hadn't used the service provided under the policy in any way. However, this isn't what the policy terms provide for. Nor do I think it reasonable to say, in effect, that a refund should be made where the service provided under a policy hasn't been used. The contract provides for a service to be provided, as required and in accordance with the terms of the policy, in exchange for the premium due under the policy. The provision of service is contingent on being required, in the same way that a motor insurance policy provides cover only if a policyholder has an accident or other loss leading to a claim.

On the issues with the app, AA accept there could have been issues with the app and have apologised. But I don't think they affected Mr H, as I've concluded above, likely to have received the renewal invitation. That would also have provided alternative means of contacting the AA, should he wished to have discussed his policy or to cancel its renewal. That is, I don't think any problems there may have been with the app would have precluded or prevented Mr H contacting the AA through other means to cancel his policy.

On Mr H's point about not receiving confirmation of the cancellation of his policy (and that it might automatically renew again) that would be something he would need to contact AA about directly. It wouldn't form part of this complaint as it relates to a potential, future event, not something that has already happened.

Taking all these points together, I've concluded AA haven't acted fairly and reasonably towards Mr H. So, I won't be asking them to take any further action.

### **My final decision**

For the reasons set out above, it's my final decision not to uphold Mr H's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr H to accept or reject my decision before 2 September 2025.

Paul King  
**Ombudsman**