DRN-5670700

The complaint

Mr D complains U K Insurance Limited (UKI) unfairly stopped offering him motor insurance cover.

UKI are the underwriters of this policy i.e. the insurer. Part of this complaint concerns the actions of the intermediary. As UKI have accepted it is accountable for the actions of the intermediary, in my decision, any reference to UKI includes the actions of the intermediary.

What happened

Mr D was provided with a car through a mobility scheme of which UKI provided the motor insurance cover.

In January 2025 UKI informed Mr D it would no longer be able to continue to provide cover under the terms of its policy, due to the number and cost of claims he had made.

Because Mr D was not happy with UKI, he brought the complaint to our service.

Our investigator didn't uphold the complaint. They looked into the case and said UKI had acted reasonably and in line with its policy when it decided it wouldn't continue to provide cover to Mr D.

As Mr D is unhappy with our investigator's view the complaint has been brought to me for a final decision to be made.

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.

Mr D's motor insurance cover started in March 2024. A number of claims were made on his policy between March 2024 and December 2024. The total cost of these claims was more than £39,000.

After a claim in December 2024 Mr D's accident and claim history meant his cover was referred to UKI for consideration.

An insurer is entitled to assess the risks it insures. And providing we can be satisfied it's applying this consistently to all customers, we would likely say it's acting fairly. I am unable to tell UK Insurance how it should assess risk and who it should offer cover to.

UKI provided me with confidential business sensitive information to explain how it decided to cancel Mr D's motor insurance cover. I'm afraid I can't share that, but I checked it carefully. UKI decided Mr D no longer met the criteria required for his motor insurance policy to continue. I am satisfied any customer in a similar situation would have been treated the same.

After UKI made its decision not to continue to offer motor insurance cover for Mr D in early January 2025, he appealed this decision. I saw it considered his appeal promptly. However, it said there were insufficient grounds to overturn its decision to decline him insurance cover, and therefore his appeal was unsuccessful. It confirmed this was due to the frequency and cost of claims on this policy.

I acknowledge the majority of the accidents happened when the named driver on the policy was driving, and so were not all as a result of Mr D's own driving. However, I saw UKI considered the number of claims made on the policy altogether and this is in line with its underwriting criteria.

I recognise Mr D is living with some difficult personal circumstances of which affect his mobility, and I am very sorry to hear of this. I understand it is essential for him to have motor insurance cover to drive a car under the mobility scheme, however I think UKI has acted reasonably and in line with its policy when it decided it wouldn't continue to provide cover, and I can't fairly tell it to change its decision in this case.

Therefore, although I understand Mr D will be very disappointed, I don't uphold his complaint and don't require UKI to do anything further in this case.

My final decision

For the reasons I have given I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr D to accept or reject my decision before 30 September 2025.

Sally-Ann Harding
Ombudsman