

## **The complaint**

Mrs and Mr P complain that Liverpool Victoria Insurance Company Limited (LV) automatically renewed their travel insurance.

My references to LV include its appointed agents. As Mr P has led the complaint I'll refer to Mr P to mean both complainants unless the facts require otherwise.

## **What happened**

Mrs and Mr P had their annual travel insurance with LV automatically renewed which they didn't want so Mr P complained to LV.

LV refunded the renewed policy premium in line with the 'cooling off' period in the policy terms. It said it hadn't done anything wrong in automatically renewing the policy. Both the policy sales document and policy renewal invitation made it clear LV would be renewing the policy automatically unless Mr P had opted out of auto renewal, and he hadn't done so.

Mrs and Mr P complained to us. In summary Mr P said:

- LV's sales process about automatic policy renewal wasn't clear or fair, it was 'deliberate and cynical' to get more money.
- LV should change its process to make it clear consumers are being opted into automatic renewal so that other consumers don't have the same problem. The process should be that consumers had to opt in rather than opt out.
- He's spent time getting the policy premium refund and complaining to us. He wants compensation for the time he's spent - four hours at £150 per hour.

Our Investigator explained we're not the regulator and this Service's role wasn't to tell a business that it had to change its processes. We considered whether a business had acted fairly and reasonably and she considered LV had done so when automatically renewing the policy.

Mrs and Mr P disagree and want an Ombudsman's decision. Mr P said LV might have met a definition of its requirements, but consumers are unaware it had a process to opt them into automatic renewal. He added that the vast majority of consumers don't read letters or emails from an insurer as they thought the process would be fair.

## **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.

Our Investigator correctly explained to Mr P that we're not the regulator, which is the Financial Conduct Authority (FCA), so we can't tell a business to change its processes. My

role is to decide whether a business has acted fairly and reasonably. In considering what's fair and reasonable, I need to have regard to the relevant law and regulations, regulators' rules, guidance and standards, codes of practice and, where appropriate, what I consider to have been good industry practice at the relevant time.

LV, and other insurers, are required under the FCA's rules to ensure the information it provides is clear, fair and not misleading. ICOBS (Insurance: Conduct of Business sourcebook) 6.2.6 says:

*'(1) A firm must:*

*(a) inform a consumer whether the terms and conditions of their policy provide for the policy to automatically renew at the end of the term;*

*(b) provide the consumer with an explanation of the effect of automatic renewal for them; and*

*(c) provide the consumer with information on the right to cancel the automatic renewal element of the policy at any time'.*

LV could reasonably automatically renew Mrs and Mr P's travel policy but it must have been made clear to them when the policy was sold that this would happen. I also think it's fair for the automatic renewal to be made clear again when the policy renews, because a consumer is unlikely to have remembered what they agreed to 12 months before.

I've looked at the information LV provided. Mr P bought the policy online and he has sent screenshots of the relevant part of the sales process. I'm satisfied that the information shown in the sales process explains what the automatic renewal meant and it says *'You can opt out of renewal for free at any time'*. The sales process then says *'Prefer not to auto renew?'* and provides a link which says *'+Opt out here'*.

I don't accept Mr P's suggestion that the information given in the sales process implies that automatic renewal is something a consumer might 'buy into'. I find that the policy sales process gives clear, well presented information that the policy will be automatically renewed unless a consumer opts out, with the opt out option being easily accessible.

LV's welcome letter to Mr P of 21 July 2024 (the start date of the policy) says:

*'For your convenience the policy will automatically renew next year - we'll send you a reminder three weeks before the policy ends in case you change your mind. You can opt out of automatic renewal on LV.com/GI/Renew or by phone at any time up until the day before your renewal's due'.*

So as well as providing clear information about automatic renewal in the sales process LV provided further confirmation of the same when sending Mr P the welcome letter for the policy.

LV sent Mr P a policy renewal letter on 24 June 2025, for the 21 July 2025 policy renewal, which says:

*'As agreed with you, we'll automatically renew your policy. We already have your card details and payment will be taken on or around your renewal date from the card ending (numbers given). If you don't want to renew, please let us know. You can opt out of automatic renewal on LV.com/GI/Renew or by phone at any time up until the day before your renewal is due'.*

So I'm satisfied that LV gave Mr P clear information about automatic renewal again when the policy was due to renew, as is fair.

LV's letter to Mr P of 21 July 2025 told him the policy had renewed and gave the same clear information about automatic renewal as in its letter of 21 July 2024.

Overall, I'm satisfied that the information LV gave Mr P about automatic policy renewal was clear and the processes through which the information was given were clear and easily accessible. If Mr P chose not to read the information LV gave him that's up to him, it doesn't mean LV acted unfairly.

Mr P wants compensation from LV for his time taken in getting the premium refund and in complaining to us. But he's provided no evidence that getting the refund was unreasonably onerous. I don't generally award compensation for the time a consumer spends in complaining to us and there's no reason for me to do so in this case. There's no basis for me to award Mr P any compensation.

### **My final decision**

I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs P and Mr P to accept or reject my decision before 16 February 2026.

Nicola Sisk  
**Ombudsman**