

The complaint

Mr F has complained about the service he received from Trade Direct Insurance Services Ltd, an insurance intermediary who sold him his commercial vehicle insurance.

What happened

Mr F had a commercial vehicle insurance policy with insurer 'Z' for a number of years and this was provided to him through Trade Direct.

His latest policy was due to expire on 13 May 2025 and after not receiving renewal documents from Trade Direct, Mr F decided to call on 1 May 2025 and ask why that was the case. Trade Direct informed Mr F that Z had decided to stop offering this product and so it wouldn't be possible to renew his policy. Trade Direct said it wouldn't be able to provide a similar product with any of its other insurers either. During the call Mr F asked for confirmation of his no claims discount (NCD) and was told this was 10 years. He asked for confirmation in writing.

Mr F then complained and said that more notice should have been given to him about the non-renewal of his policy and noted that Trade Direct had been aware of Z no longer offering this product for some time. He also didn't agree with the number of years NCD he was told he had. He asked for an explanation as to why he wasn't told about the non-renewal of the policy earlier and for a goodwill gesture in recognition of the inconvenience he was caused.

Trade Direct responded to say that its standard approach was to advise customers 30 days in advance of their renewal date if terms were not going to be provided by the insurer. It apologised for the oversight but said Mr F still had time to find another quote. In terms of the NCD, it said 10 years was the maximum offered by Z. It also acknowledged that Mr F had been told to put his complaint in writing which shouldn't have been the case. It said it provided the appropriate feedback to the relevant team.

Unhappy with Trade Direct's response, Mr F brought his complaint to our service. He said that it failed to notify him of a material change to his policy and did not follow its own complaints procedure. Mr F added that he cares for other family members which severely limits his ability to make urgent arrangements such as shopping around for insurance at short notice. He added that Trade Direct also offered him a heavily discounted commission rate and no administration fees, a benefit he has now lost. Finally, Mr F said that despite Trade Direct accepting it made a mistake, it didn't uphold his complaint.

One of our investigators considered the complaint but didn't think Trade Direct had to take further action. Our investigator said Trade Direct acknowledged it failed to give Mr F 30 days' notice and apologised. She also agreed Mr F still had time to source alternative cover.

Mr F didn't agree and asked for an ombudsman's decision. He reiterated that this was a specialist policy and not easy to replace with a like-for-like product at short notice. He didn't think Trade Direct's response amounted to a meaningful apology.

The matter was then 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.

I'd like to start by acknowledging the time and effort Mr F has taken to raise his concerns, as well as the strength of feeling behind his complaint about Trade Direct's service. He has made a number of points, and I want to reassure him that I have considered each of them carefully.

In this decision, I will focus on the issues I believe are most significant. This is not intended as any discourtesy—our aim is to keep decisions clear and concise so they are as helpful as possible.

Mr F's policy was due for renewal on 13 May 2025. Under normal circumstances, Trade Direct would have notified him by 13 April 2025 that renewal would not be possible because the insurer was no longer offering this product. Trade Direct accepts that it failed to provide this notification and that Mr F only became aware of the situation when he contacted it on 1 May 2025. I appreciate how frustrating this must have been, and I agree that had Mr F not called, he might have remained unaware until much later. I acknowledge the potential seriousness of this, such as the risk of driving uninsured. However, Mr F was informed 12 days before the policy expired, not after. Although I understand what could have happened had he not called, our approach is to consider what actually happened, not what might have happened.

I also appreciate Mr F's point that this was a niche product and difficult to replace at short notice. Taking into account his caring responsibilities, which I recognise can be demanding, I believe that 12 days provided sufficient time to arrange alternative cover. Mr F confirmed that he did obtain a replacement policy, albeit not like-for-like. However, it seems unlikely that additional time would have changed this outcome, as Mr F himself noted that such policies are rare and difficult to source.

I also acknowledge that the decision not to offer a renewal was made by Z who provides the product and it wasn't a decision made by Trade Direct. So though I appreciate Mr F's disappointment, this wasn't Trade Direct's decision. Trade Direct said it tried to source a similar policy from other insurers but wasn't able to. I think this is fair and reasonable and what I would have expected an insurance intermediary to do. I also appreciate Mr F's disappointment at losing the discount he was afforded by the insurer and Trade Direct, but for the reasons I gave above, as it was Z's decision to no longer offer the product and not Trade Direct's, this isn't something I can hold it responsible for.

Mr F said he was asked to put his complaint in writing when a verbal expression of dissatisfaction should have been sufficient. Trade Direct accepts Mr F was misadvised and said it has provided feedback to the relevant team. I have listened to the relevant call where Mr F spoke to a manager who said they would email him a confirmation of his NCD and to reply to that email with his complaint so that the manager would pass it to the relevant team. While Mr F was asked to confirm in writing, I don't necessarily consider this a refusal to accept his verbal complaint. Nevertheless, Trade Direct acknowledged the error and took steps to prevent it from happening again. I think this is fair and reasonable.

I understand Mr F will be disappointed with my decision, and I don't underestimate how let down he feels by Trade Direct—particularly as a long-standing and loyal customer. However, for the reasons I've explained, I don't think Trade Direct needs to take any further action in this case.

My final decision

For the reasons above I have decided not to uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr F to accept or reject my decision before 27 January 2026.

Anastasia Serdari
Ombudsman