

The complaint

Mr R has complained about the way Admiral cancelled his motor insurance policy.

What happened

Mr R took out a policy with Admiral online in August 2024. When it was renewed, Admiral found there were no payment details on file, so asked Mr R to supply these. Mr R didn't respond, so Admiral cancelled his policy.

Mr R wasn't happy with this. He said he took out his policy under his own terms and conditions, not Admiral's. And said that his terms and conditions said that his policy was already paid for life.

Admiral issued a final response in September 2025 saying they followed their correct procedures in requesting payment and cancelling the policy. But said they should have confirmed with Mr R that they didn't have any payment details on file for the renewal when they took payment for a mid-term adjustment – and they paid £100 compensation for this. They said they'd reinstate the policy once he paid for the outstanding time on cover and the cancellation fee.

Mr R didn't accept this and complained to our Service. He noted that the final response letter said they 'upheld' the complaint rather than 'partially upheld' it, which he said meant Admiral should be fully compensating him.

Our Investigator looked into what happened and didn't uphold the complaint. He said that Admiral gave reasonable warning that the policy would be cancelled if the premium wasn't paid and that it was fair for them to cancel the policy when he didn't pay.

Mr R disagreed. Included in what Mr R wants to resolve the complaint is compensation of over £147,000, further loss of earnings/opportunity at £750 per day, removal of cancellation charges, and confirmation of continuous cover on agreed terms.

The complaint couldn't be resolved so it has come 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 R's complaint. I've explained why below. As ours is an informal service, I'm not going to respond to every point or piece of evidence Mr R and Admiral sent us. Instead, I've focused on what I consider to be key or central to the complaint. But I'd like to reassure both that I have considered everything they submitted.

From what I've seen, Mr R took out his 2024 policy online. Upon doing so, he was entering into a contract with Admiral under the terms and conditions of the policy they sent him. Insurers are entitled to decide what risks they are prepared to cover. The policy documents

form part of the insurance contract and set out what is and isn't covered. And I'm satisfied Mr R agreed to Admiral's policy terms and conditions when he purchased the policy.

Mr R may have told Admiral the policy was entered into under his own terms, but even if I'd seen Mr R's own terms and conditions (which I haven't), I wouldn't agree with him that they apply. I'm satisfied that by taking out the policy online, Mr R agreed to Admiral's terms and conditions. It's those terms I've looked at when considering if Admiral acted fairly.

Was it unfair for Admiral to cancel Mr R's policy?

The terms and conditions of the policy say Admiral can cancel Mr R's policy by sending seven days' notice in writing to his last known address if he fails to pay any premium.

Admiral sent a letter to Mr R saying his policy would renew on 23 August 2025 but that they'd need his payment details to keep it active. They gave instructions on how to update his details and said if they're not updated by the date of renewal, the policy will still renew automatically and the premium would be due.

The policy did renew, and Admiral sent a reminder for payment by email and letter on 25 August 2025. Then on 4 September 2025, Admiral sent another letter and email requesting payment and said his policy would be cancelled within seven days if he didn't pay. The policy was cancelled on 14 September 2025, and Admiral sent a letter saying so – and requested Mr R pay the remaining premiums.

Mr R hasn't argued he didn't receive Admiral's letters nor said he didn't want the policy renewed – on the contrary, he's said he didn't need to pay any further premiums because he'd paid for life under his own terms and conditions. Mr R didn't pay his premium, and Admiral gave adequate warning in line with the terms and conditions of the policy he agreed to, so I think it was fair for them to cancel the policy.

I note that Mr R's policy says if his policy is cancelled within 14 days of receiving his welcome/renewal documents, he'll receive a full refund minus an administration charge. But Mr R didn't contact Admiral to cancel the policy within the first 14 days, so it's not unfair for Admiral to expect payment for the time Mr R was on cover.

Other issues

Admiral said that they should have asked Mr R to update his payment details when he called to pay an outstanding amount due on a mid-term adjustment made at the time he changed vehicle. They awarded £100 for this. Mr R says that because they upheld his complaint as opposed to partially upholding it, Admiral accepted his complaint in full. But I don't find Admiral's actions unfair so I'm not directing them to take further action.

But even if I thought Admiral should have told Mr R about updating his payment details sooner, I'm not persuaded he would have given them when asked – and I think he'd be in the same position. This is because he made it clear he considered he'd paid in full for life. I don't think there was any loss to Mr R and, in the circumstances, the £100 compensation Admiral paid is more than enough for any mistakes they made.

Ultimately, I think it was reasonable for Admiral to expect payment when they did – and for them to cancel the policy because Mr R didn't pay his premiums. So, it follows that I won't be directing Admiral to pay Mr R the compensation he seeks, reinstate the policy, or take any other action.

My final decision

For the reasons above, I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr R to accept or reject my decision before 8 January 2026.

Andrew Wakatsuki-Robinson
Ombudsman