

## **The complaint**

Mrs C had a motor insurance policy administered by Sainsbury's Bank Plc. She says the communication from it around the cancellation of her policy was lacking.

## **What happened**

Mrs C's insurer found an undisclosed claim made by Mrs C on a database. It advised Sainsbury's to contact her about so it could be added to the policy (for an extra premium) or failing that, to cancel it. Mrs C had said her preferred method of communication was via the online portal. Sainsbury's emailed her on 20 December 2024 to say it had uploaded a document that she should read as soon as possible. It also sent the document (a letter that said information from her was needed, or the policy may be cancelled) to Mrs C by post. She got the email but didn't check the portal, as she thought the document wouldn't be important.

As there was no contact from Mrs C, Sainsbury's sent a cancellation notice to her by post on 31 December 2024 and also uploaded it to the portal that day. It said the policy would be cancelled on 10 January 2025 if it didn't hear from Mrs C. As there was no contact from her by that date, the cancellation went ahead and Sainsbury's issued a further letter confirming it. Mrs C called Sainsbury's to say she'd received the letters from it dated 20 December 2024 and 31 December 2024 on 13 January 2025. Sainsbury's said it hadn't made a mistake in its communication with Mrs C, as it had contacted her by email, post and through the portal, and had given her sufficient time to respond to the potential cancellation.

One of our Investigators reviewed Mrs C's complaint. He thought Sainsbury's had shown that Mrs C was sent enough notice of the cancellation, through her preferred method of communication, and by email and post. Mrs C said the email on 20 December 2024 should have referred to the cancellation, and had it done so she would have checked the portal. She said the letters were produced retrospectively - or weren't sent to her until after the cancellation took place. She said Sainsbury's should have texted or called her. And she said her car was without insurance for four days (although she didn't drive it during that time) so she wanted compensation for distress and inconvenience. Mrs C also wanted the policy's reinstatement, or payment for the higher premiums now charged by other insurers.

As there was no agreement, the complaint was passed to me for review.

## **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.

Mrs C got the email from Sainsbury's on 20 December 2024 telling her there was a letter on the portal that she should read as soon as possible. The portal was her preferred method of communication, and I think most consumers would have checked it when directed to do so by a broker or an insurer. But Mrs C decided that the letter wouldn't be important.

Had she looked at the portal within the next couple of weeks, Mrs C would still have had time to contact Sainsbury's and avoid the cancellation. But it seems she didn't do so for three weeks after the direction from Sainsbury's to check it as soon as possible. So she didn't see the letters dated 31 December 2024 and 10 January 2025 until then.

Ideally, I think the email sent to Mrs C should have referred to the potential cancellation. But I don't think omitting to do that means Sainsbury's made an error. It directed Mrs C to look at the document in the portal as soon as possible. She hasn't said why she just assumed that wasn't necessary. Nor has she said why she didn't look at the portal for so long, when it was her preferred contact method.

I think Mrs C has made further assumptions, by concluding that the letters from Sainsbury's were held back by it for several weeks. In my opinion, there's no evidence that was the case, and it has shown that both letters were printed on those dates. Sainsbury's would have had no reason to intervene in their automatic issue, or to hold them back, as a potential cancellation means a potential loss of business.

Furthermore, there would have been no point in Sainsbury's holding back the letter to Mrs C dated 20 December 2024, as it contacted her that same day by email. Consequently, she already knew about the correspondence - and the letter was on the portal. So I think if the letter arrived late in the post it's irrelevant here.

It seems Sainsbury's didn't email Mrs C about its letter dated 31 December 2024. Although it didn't have to do so, as it notified her by post instead and added the letter to the portal, I think it would have been better had Sainsbury's emailed her. That would have been consistent with its previous method. But Mrs C had ignored the email about its earlier letter, so I'm not sure it would have made a difference. And there's nothing to show the second letter wasn't issued on 31 December 2024 by post. Sainsbury's records show it was printed at 11.49am that day. As it was uploaded too, Mrs C could have seen it at any time had she just checked the portal, as she had been on notice to do from 20 December 2024.

Correspondence is often delayed in the post, but I think it's unusual for letters dated 11 days apart to arrive together, one 24 days late, and one 13 days late. In my opinion, that suggests an issue somewhere in the postal delivery process. Mrs C says there was no disruption in the postal system at the time. But known disruption isn't the only reason post is lost or delayed. It's very unfortunate that neither letter arrived when it should have done, but I don't think Sainsbury's can be blamed for delivery delays.

Fortunately, Mrs C didn't drive the car when it was uninsured for a few days, as she was away at the time. Her premiums are now higher than they were, due to the cancellation, but I don't think it was Sainsbury's fault that the policy was cancelled. I think it gave her adequate notification of the potential cancellation by more than one means of communication. As I don't think Mrs C has shown Sainsbury's acted unreasonably, I can't uphold her complaint.

## **My final decision**

My final decision is that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs C to accept or reject my decision before 12 January 2026.

Susan Ewins  
**Ombudsman**