

The complaint

Mr E has complained that his motor insurer, Admiral Insurance (Gibraltar) Limited ('Admiral'), cancelled his policy without his permission.

What happened

Mr E had a multi-car policy with Admiral for his two vehicles. A few weeks prior to his policy renewing, he called Admiral and asked for one of the vehicles to be removed from the policy because he said he could no longer afford to have both vehicles. Admiral said this would take away the multi-car discount for the remaining vehicle and quoted Mr E £1,273.46 for the new policy year. Mr E wasn't happy with this quote and said it was too expensive. Admiral told Mr E the policy was set to auto renew in a few days and offered to allow it to lapse if he wasn't happy with the new premium. It then wrote to him to say the policy would end on 5 August 2025 and the policy was thereafter cancelled at 00:00 on that day.

Mr E said he logged onto his account in August 2025 and to his surprise he saw he was no longer insured. He called Admiral who offered him a new policy for £1,531. Mr E wanted to pay by monthly instalments but Admiral said he didn't meet the eligibility criteria.

Mr E complained and said that he only asked for one of the cars to be removed from the policy and not for the entire cover to be cancelled. He said he was aware the policy was due to expire on 5 August 2025 so he called Admiral that day and was surprised to note his policy had already been cancelled. He was also unhappy to be told he was no longer eligible to make monthly direct debit payments. He asked for the policy to be reinstated, to be able to pay by direct debit as well as for Admiral to provide a written apology.

Admiral upheld part of the complaint and said that when Mr E called he was mistakenly transferred to the wrong department. It offered £40 compensation for this error. With regards to Mr E's other complaint points, it said it made it clear that the policy would be cancelled on 5 August 2025 and that this was further to Mr E's own request that this took place. It said that Mr E was not eligible to pay by monthly instalments and that it wasn't able to disclose the specific reasons for this as they were commercially sensitive.

Unhappy with Admiral's response Mr E brought his complaint to our service. He didn't consider Admiral's £40 offer to adequately compensate him for the serious inconvenience, risk and hardship he was caused.

The matter was reviewed by one of our investigators who didn't think that Admiral had to take further action. In our investigator's view, it was made clear during Mr E's conversation with Admiral that the policy for the second vehicle would not automatically renew and this was as per Mr E's own request because he wasn't happy with the new premium he was

being offered. With regards to Admiral not agreeing for Mr E to pay for a new policy by monthly payments, our investigator didn't think that Mr E had been treated any differently to any other customer in his position.

Mr E didn't agree and asked for an ombudsman's decision. Among other things, he said that he did not delay contacting Admiral and did so before he became uninsured. He added that Admiral did not have his consent to cancel the policy, and that during their call he said he could not afford the new premium which is not the same as agreeing to become uninsured. He said he made Admiral aware that he was in financial difficulty but it didn't take steps to help him and that it put him in foreseeable harm by cancelling the policy. He also said that Admiral had not been transparent about the reasons why he wasn't eligible to make monthly payments.

Our investigator didn't change his view. He said Admiral did enough to make Mr E aware that the policy would lapse and that if he wanted it to be renewed he would have to get in touch before 5 August 2025, which he didn't do.

The matter was then passed to me to decide. Before I proceeded with my decision I informed both parties that Mr E's complaint regarding the rejection of his request to pay for his new policy by instalments, would be considered as a separate complaint by our service and it would be against the credit broker/provider, not Admiral.

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 saying that I understand Mr E feels strongly that he has been treated unfairly by Admiral and has raised a number of points he would like me to consider. I'd like to assure him that I have considered all the information he has provided but in my decision I will be focusing on the points I consider to be the most relevant. No discourtesy is intended by this. We aim for our decisions to be as concise and to the point as possible.

As I said above, Mr E's complaint regarding his request to pay for his new premium by instalments will be considered separately as it relates to the actions of the credit broker/provider, not Admiral who is the insurance provider. What I will say in relation to this aspect of the complaint is that from the information I have been provided with, I can't see that any of the actions Admiral took as the insurer were unfair or unreasonable. It ultimately relied on information it had been provided with which showed that the option to pay by monthly instalments was not available to Mr E.

I have listened to Mr E's call with Admiral which Admiral said took place on 24 July 2025. Mr E called Admiral to ask for one of the vehicles on his multi-car policy to be removed from it because he was planning on selling it. The handler advised Mr E that this would mean that he would lose his multi-car discount and that the quote for the remaining car for the new policy year was £1,273.46. Mr E said that he was struggling financially and that this was too expensive. The handler said this was the best quote he could offer and asked Mr E if he had been able to find a cheaper quote elsewhere. Mr E said he hadn't looked yet but he would and that he might leave Admiral. The handler then asked if Mr E was happy for the policy to

still automatically renew if Admiral didn't hear back from him. Mr E said he wasn't happy for the policy to renew for that premium. It was then agreed that Admiral would send Mr E the renewal documents and proof of no claims discount (NCD). The handler asked Mr E what Admiral should do if it did not hear from him before the 5 August 2025 as the policy was set to auto renew that day. Mr E said he wasn't happy with that, and the handler confirmed he would turn the auto renewal off and Mr E agreed. The handler reiterated that if Admiral didn't hear from Mr E before 5 August 2025 the policies for both cars would be cancelled.

Admiral later wrote to Mr E and said it was sorry he had decided not to renew his policy for the car that was left on the policy. It confirmed that the policy would cease from 5 August 2025. The letter also said that if Mr E were to change his mind he could still do so as long as he logged into his online account and selected "renew" before 5 August 2025.

Based on the call and on the subsequent letter I think Admiral made it clear that the policy for the remaining car would not auto renew and that if Mr E did not want the policy to lapse, he would have to let it know before 5 August 2025.

Mr E called Admiral on 5 August 2025 but the policy had already lapsed and Admiral said it couldn't be reinstated. I appreciate Mr E was frustrated to find this out but, as I said above, I think Admiral made it clear that the policy would lapse on 5 August 2025 and that if Mr E wanted it to continue he would have to get in touch with Admiral before that date. In the circumstances, I don't think Admiral has made any errors in letting the policy lapse. I appreciate Mr E says the policy was cancelled but Admiral didn't actively cancel it before it was due to lapse. It was simply allowed to come to an end, which is what Admiral said would happen during their conversation.

I have also considered Mr E's argument that Admiral placed him in foreseeable harm. Bearing in mind their conversation in July 2025 and Admiral's letter detailing when the policy would lapse and how Mr E could prevent this from happening, I think that Admiral acted in line with Mr E's stated preference when it didn't proceed with the renewal. For this reason, I don't consider that Admiral failed to identify or mitigate any foreseeable harm and I haven't seen anything to suggest it should reasonably have anticipated a different outcome or taken additional steps to prevent the policy from lapsing.

Admiral said when Mr E called on 5 August 2025 he was transferred to different departments which delayed his complaint being dealt with. From what I have seen, the complaint was logged on the same day so I think any inconvenience suffered was minor. For this reason, I think the £40 offered by Admiral is fair and reasonable.

I appreciate that Mr E will be disappointed with my decision, and I was sorry to see that he was experiencing financial difficulty at the time he contacted Admiral to discuss his policy. However, for the reasons I have given above, I do not consider that Admiral acted unfairly or unreasonably. Based on the evidence, I am satisfied that it followed Mr E's instructions, which were for the policy to lapse in its entirety if he did not get back in touch before the renewal date.

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 E to accept or reject my decision before 18 March 2026.

Anastasia Serdari
Ombudsman