

The complaint

Mr E has complained that Somerset Bridge Insurance Services Limited didn't follow his instructions to cancel the auto renewal of his car insurance policy.

Somerset acts as the administrator for the insurer of Mr E's policy.

What happened

Mr E bought a car insurance policy which was set to auto renew on 6 November 2024.

Mr E received a renewal invitation on 14 October 2024. On 18 October 2024 Mr E sent an email to the renewals email contact address. He said he had turned off the automatic renewal option and asked for confirmation of the final premium to be paid.

Mr E didn't receive an acknowledgement or reply to his email. On 22 October 2024 Mr E received a further email reminding him that his policy would automatically renew.

Somerset arranged for Mr E's policy to renew and sent him confirmation on 31 October 2024.

On 13 November 2024 Mr E sent an email to an enquiry address from the insurer's website. He reiterated that he had turned off the auto renewal option and asked for confirmation of the same.

Mr E didn't receive an acknowledgement or reply to this email.

Somerset arranged for Mr E's policy to renew on 6 November 2024. Mr E complained to Somerset. He wanted it to refund the premiums collected under the renewed policy.

Somerset didn't uphold Mr E's complaint. It said it didn't receive the emails Mr E sent. It cancelled the policy from 26 December 2025 but didn't backdate it to the renewal date. Mr E now owed a balance premium which he didn't agree he should pay. In March 2025 Somerset reduce the outstanding balance as a goodwill gesture.

Mr E asked us to look at his complaint. One of our Investigators thought it should be upheld. He recommended Somerset arrange the following:

- Cease seeking to recover the calculated outstanding premiums, and ensure no adverse entry is made on Mr E's credit file in relation to this policy.
- Pay £100 in recognition of the distress and inconvenience caused by Somerset's poor handling of the matter.

Mr E didn't reply. Somerset responded to say it would further reduce the amount Mr E owed due to an error in its calculation on cancellation.

The Investigator said this didn't change his view, which was for Somerset to arrange for the balance under the renewed policy to be written off in full.

Somerset didn't reply. So the case has been 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've looked at the renewal invitation Somerset sent to Mr E on 14 October 2024. It read;

"You can opt out of your policy automatically renewing at any time. By opting out of automatic renewal, your policy will expire at the renewal date. You will need to ensure you have alternative cover from the day your policy expires. Further information relating to automatic renewals can be found on our website and in our Terms of Business which is available here.

Please take the time to review our terms in full as these may have changed since last year."

I have reviewed the Terms of Business document. It provides on page four of the ten page document an 'optout' email address which Somerset says should be used where a customer wishes to request an opt out of automatic renewals.

Industry rules ICOBS 6A.6.301/01/2022R sets out that;

"A firm must provide a consumer with easy and accessible methods for cancelling the automatic renewal feature in the consumer's contract."

And;

ICOBS 6A.6.501/01/2022G

"An easy and accessible method for cancelling an automatic renewal feature is a method that does not place any unnecessary barriers on the consumer who uses it. Unnecessary barriers may include one or both of the following:

- 1. unreasonably longer call waiting times to cancel the automatic renewal feature than to purchase a new policy; and/or*
- 2. unnecessary questions or steps before the consumer is able to confirm their instructions to cancel the automatic renewal feature."*

Mr E's email dated 18 October 2024 to Somerset provided clear information about the email address registered to the account, along with his personal details and his request. While Mr E did not use the email specified under Somerset's Terms of Business, he did use the email address provided by Somerset on the renewal invitation and on 13 November 2024, from their website. These are not identified as 'do not reply' email addresses. So at the very least, I think Somerset should have acknowledged Mr E's emails and redirected him to the correct email address to carry out his request. Had it done so, I think on balance Mr E's policy would not have auto renewed.

It's not clear to me why Somerset didn't provide the opt out email address in the renewal invitation when explaining that Mr E had the right to opt out of his policy auto renewing at any time. I think this would have provided an easy and accessible method for cancelling the auto renewal in line with industry rules. I think having to access a separate Terms of Business document in order to find and confirm such instructions – or go to their website –

when he had emailed the renewals email address from the invitation - was an unnecessary step for Mr E to have had to follow.

Somerset says the email address Mr E used was not one registered with his account. But Mr E provided the email address registered to his account within the body of the email(s). So I think Somerset had sufficient information to locate Mr E's policy and follow up on his request. I don't think it was reasonable for Somerset to not respond at all to Mr E's emails.

I'm satisfied from the evidence Mr E has provided that he emailed Somerset with a clear request to cancel the auto renewal option under the policy before the renewal date. So it follows that I find the renewal of Mr E's policy should not have taken place. This means I don't find it reasonable for Mr E to be responsible for any premiums or charges under the policy that renewed. Somerset should ensure that there is no negative credit marker recorded against Mr E in relation to the renewed policy.

I think Somerset should pay Mr E £100 compensation for the distress and inconvenience caused. Mr E said he was charged fees by his bank due to the premiums that were collected from his account. But he hasn't provided evidence of this to the Investigator when asked. So I find the compensation award of £100 to be fair to resolve the complaint.

My final decision

My final decision is that I uphold this complaint. I require Somerset Bridge Insurance Services Limited to do the following:

- Arrange for the removal of any balance Mr E owes under the renewed policy. Where a refund is due, Somerset should arrange for interest to be paid on the refund amounts from the date Mr E paid to the date of refund.
- Pay interest on the refund amount at a rate of 8% simple interest a year.
- Arrange for the removal of any negative credit marker in relation to the renewed policy.
- Pay Mr E £100 compensation for the distress and inconvenience caused.

Somerset Bridge Insurance Services Limited must pay the compensation within 28 days of the date on which we tell it Mr E accepts my final decision. If it pays later than this it must also pay interest on the compensation from the date of my final decision to the date of payment at a simple rate of 8% a year.

If Somerset Bridge Insurance Services Limited considers that it's required by HM Revenue & Customs to withhold income tax from that interest, it should tell Mr E how much it's taken off.

It should also give Mr E a tax deduction certificate if he asks for one, so he can reclaim the tax from HM Revenue & Customs if appropriate.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr E to accept or reject my decision before 18 February 2026.

Geraldine Newbold
Ombudsman