

The complaint

E has complained that Uinsure Limited told its director that it had put its Landlord Insurance policy on hold when it cancelled the direct debit for the premium with its bank despite the fact it had paid the premium in full at the outset.

E is represented by Mr S, who is a director.

What happened

E's policy was arranged for it by Uinsure. The insurer was a different company who I'll refer to as A. E paid the full annual premium for the policy to Uinsure when it was taken out. But it seems the way Uinsure's system works meant E had to set up a direct debit to pay the premium when the policy came up for renewal a year later because it was set to renew automatically. Mr S cancelled E's direct debit with its bank. Uinsure were notified of this and sent Mr S a letter dated 19 March 2025 in which it said that because he had cancelled E's direct debit instruction its cover with A had been put on hold. It went on to say that if Mr S wanted to reinstate the policy he needed to contact its customer service team.

On 21 March 2025 Uinsure sent an email to Mr S. In this email it said that it had been notified that he had cancelled E's direct debit instruction, but because it had paid his premiums in full it had reinstated his cover with A. It went on to say that it believed Mr S's intention in cancelling the direct debit was to opt out of automatic renewal, so it had updated E's preference to reflect this.

Mr S called Uinsure on 31 March 2025 to complain about receiving its letter of 19 March 2025. And he referred to receiving this letter on Saturday. So, I've assumed from what he said that he received it on Saturday 29 March 2025, some ten days after it was meant to have been sent by Uinsure.

Uinsure's agent explained to Mr S that E's policy had been put on hold but that there had not actually been a break in the cover as its administration team had picked up that E had paid the premium in full. Mr S said he wanted to log a complaint on behalf of E and have it investigated. And he mentioned receiving the letter of 19 March 2025 had caused him distress. He also explained that he was concerned the property insured under the policy hadn't been covered for a period of time and that, if this was the case, he felt E should get a refund of the premium it had paid for the period concerned.

Uinsure considered E's complaint and issued a final response on 25 April 2025. In this it started by saying that E's complaint had not been upheld. It explained that it had received a notification from E's bank that Mr S had cancelled the direct debit instruction on 18 March 2025. And that this had generated its letter of 19 March 2025 to Mr S telling him that E's policy had been put on hold. Uinsure then explained it had a process to check whether the premium for E's policy had been paid in full. And that once it saw that this was the case it had 'reinstated' the cover. It then mentioned that it had sent the email on 21 March 2025 confirming this had happened and that at no point had the property covered by the policy not been insured. It then acknowledged its letter of 19 March 2025 had caused concern and explained that the letter was written in such a way to encourage Mr S to contact

its customer service team to confirm the exact actions E wanted to take.

Mr S wasn't happy with Uinsure's final response and asked us to consider his complaint. One of our investigators did this. He said it shouldn't be upheld as E was a limited company and could therefore not suffer distress and receive compensation for this.

Mr S asked for an ombudsman decision, so the complaint has been referred to me.

I issued a provisional decision on 5 February 2026 setting out what I'd provisionally decided and why as follows:

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've decided to uphold it. I'll explain why.

It seems to me that this whole issue was caused by the way Uinsure's system works, which I think is unsatisfactory. I appreciate why Uinsure asks the customer to set up a direct debit even if they have paid the premium in full if their policy is set to renew automatically. I say this because I've presumed it needs to have a payment option in place to take the payment when the policy does automatically renew. And I accept Mr S might have agreed to E's policy renewing automatically and setting up the direct debit, although it is not clear whether he was actually given an alternative option. However, once this has happened and the customer decides to cancel the direct debit, I do not consider it is appropriate for Uinsure to automatically send out a letter saying that the customer's policy has been put on hold and they need to contact it to reinstate it, when they have paid the premium in full. I appreciate this is what Uinsure's system is set up to do, but I simply don't think this is an acceptable approach and in line with its duty to treat its customers fairly.

I appreciate Uinsure sent an email out in an attempt to reassure Mr S that E's policy had been reinstated and there hadn't been a break in cover. But there were three problems with this email as I see it. The first was that it seems Mr S received it around eight days before he received Uinsure's letter of 19 March 2025. The second was that it was not clear enough on what had happened and why. I say this because it didn't mention the letter Mr S had been sent on 19 March 2025. And it didn't explain that what had happened was due to the way its system worked. The third was that it did not explain that there had been no break in cover, as it said the policy had been reinstated, which I think gave Mr S the impression it had actually been cancelled and there was no cover in place for a short period of time. In addition, it didn't include an apology for any concern the letter of 19 March 2025 might cause or have caused E or Mr S.

So, I think when Mr S got the letter of 19 March 2025, as a director of E, he was understandably concerned by it. And it is a shame that when he called the agent he spoke with on 31 March 2025 she didn't mention the email of 21 March 2025 that had been sent to Mr S, as it is not actually clear from the phone call whether he recalled receiving it at this point. From listening to the recording of the call, it seems Mr S may have known his policy was in force at the point he called, which would suggest to me he had received the email of 21 March 2025. But this doesn't alter the fact that it would have been a concern for him, as a director of E, when he got the letter of 19 March 2025, especially as he received it on a Saturday when I presume he was unable to contact Uinsure.

However, E is separate to Mr S, as a director. And I can't compensate the directors or shareholders personally, or pay the company for any distress they've incurred personally. And E as a legal entity can't experience distress, or pain and suffering. However, I appreciate that any impact due to poor service, as in the case of Uinsure's poor service to E,

could have financial, operational or reputational implications. And I can make an award for these or for inconvenience experienced by E itself, if I think it is appropriate to do so. But in the circumstances of E's complaint I do not consider the impact on it warrants compensation for the minor inconvenience it experienced. And I do not think it had financial, operational or reputational implications. I say this because it was never without cover and the only real inconvenience to E was that Mr S had to use a very small amount of company time to call Uinsure and raise concerns on E's behalf.

Nonetheless, I do think Uinsure should have apologised for the poor service E received due to its inappropriate process. I say this because it needs to treat its customer's fairly and when it doesn't it should realise this and apologise, as opposed to just acknowledging its concerns and letting them know their complaint has not been upheld. In E's case, I think what Uinsure said in its final response implied that it thought the valid complaint Mr S had made on its behalf was unjustified, when clearly it wasn't.

So, I think the fair and reasonable outcome to this complaint is for me to direct Uinsure to issue E with a formal letter of apology for the poor service it received and the concerns this caused to it as a company and to its director, Mr S.

I appreciate Mr S has also mentioned wanting a refund of premium for the period E's policy was on hold. But I do not consider this would be appropriate, as the reality is that whatever happened from an administrative point of view with Uinsure, as far as A was concerned there was no break in cover.

My provisional decision

For the reasons set out above, I've provisionally decided to uphold E's complaint about Uinsure Limited and direct it to issue E with a formal letter of apology for the poor service it received and the concerns this caused to it as a company and to its director, Mr S.

I gave both parties until 19 February 2026 to provide further comments and evidence in response to my provisional decision. But neither party has provided any further comments and evidence.

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.

As neither party has provided any further comments or evidence in response to my provisional decision I see no reason alter my view on what I provisionally decided was the fair and reasonable outcome to E's complaint.

My final decision

For the reasons set out in my provisional decision dated 5 February 2026, I uphold E's complaint about Uinsure Limited and direct it to issue E with a formal letter of apology for the poor service it received and the concerns this caused to it as a company and to its director, Mr S.

Under the rules of the Financial Ombudsman Service, I'm required to ask E to accept or reject my decision before 23 March 2026.

Robert Short

Ombudsman