

## **complaint**

Mr A complains that Admiral Insurance Company Limited unfairly cancelled his motor insurance policy.

## **background**

After Mr A took out the policy, Admiral asked him to provide some documents. Mr A complained that – before giving him enough opportunity to respond – Admiral cancelled the policy.

The adjudicator recommended that the complaint should be upheld in part. She didn't think that Admiral gave Mr A enough time to respond. She recommended that Admiral should reinstate the policy.

Admiral disagrees with the adjudicator's opinion. It says, in summary, that it gave Mr A the link to the website to get driving licence details. After it cancelled his policy, Mr A has left his car uninsured, Admiral says.

## **my findings**

I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint.

Nearly a year ago, there were changes in driving licences. Paper counterparts became obsolete. Drivers became able to access their details online. But many haven't yet had cause to do so.

Mr A took out a policy to cover him as the policyholder and his wife as a named driver.

Like most motor policies, Mr A's said that Admiral could cancel it on giving him seven days notice.

As cancellation can cause immediate and ongoing problems for drivers, I've thought carefully about whether Admiral acted fairly and in line with the policy.

After he took out the policy Admiral sent an email and letter to Mr A. It included the following:

*"... we need you to send us the following documents for validation purposes:*

- Driving licence details for yourself and any drivers named on the policy. You can do this by logging onto [www.gov.uk/view-driving-licence](http://www.gov.uk/view-driving-licence) and following the on screen instructions to download a copy of the licence details. Please forward this document to us by email or post, along with a photocopy of the front and back of the photo card. You will need to follow this process for each named driver on your policy.*
- A copy of a recent ...utility bill ...*
- A copy of your V5 registration document.*

*We would be grateful if you could reply within the next 7 days."*

I've underlined the word "*can*" because it didn't suggest a necessity for Mr A to go online in order to get the details Admiral wanted. And the letter didn't contain any reminder that details in counterpart licences were no longer valid.

Mr A has said that he got the letter. But he hasn't said he did anything about it within those 7 days.

When those 7 days expired, Admiral sent Mr A a formal notice including the following:

*"We must inform you that if we do not receive the documents ... within the next 7 days you will leave us with no alternative but to cancel your policy. According to General Condition 4 of 'Your Car Insurance Guide', this is your FORMAL 7 DAYS NOTICE OF CANCELLATION OF YOUR POLICY. Your policy will cancel from 00:01 hours on 30/03/2015, if we do not hear from you by this date."*

That notice didn't remind Mr A what documents Admiral needed. So I think Mr C had to look again at the earlier letter. Overall I'm not satisfied that Admiral's letters had done enough to make clear what Mr A needed to do by the deadline.

On the day before that deadline, Mr A emailed Admiral what it had asked for - except that he attached copies of counterpart driving licences instead of details obtained online. I think Mr A genuinely and reasonably thought he'd done what Admiral needed him to do.

The deadline expired in the early hours. Later that day, Admiral sent Mr A an emailed letter. It included the following:

*"we still require the following:  
- The online driving history for yourself and your named driver. Please follow these instructions on how to access this..."*

*If we do not receive the above documents by 30/03/16 your policy will be cancelled with effect from 00:01 hours as per our previous letter dated 23/03/16."*

This was the first time Admiral had made clear that it wanted Mr A to send it "*online driving history*".

I don't think it was helpful that Admiral gave Mr A a deadline of the same day (the Wednesday after the Easter Bank Holiday). There's no evidence that Admiral rang Mr A to alert him to the urgency of the email. And the deadline must have passed before he read the email or received the hard copy of the letter in the post.

Keeping in mind the shortcomings in its communications, I don't think Admiral treated Mr A fairly by confirming the cancellation.

From some prints, I see that Mr A went online on Saturday 2 April and got the details of his full licence and the named driver's provisional licence. Neither showed any penalty points. I think Mr C emailed the details to Admiral because on Monday 4 April it sent a final response which included the following:

*"Although you provided the documents as we requested, you did not provide them within the given timescale"*

I don't think Admiral treated Mr A fairly by refusing to reinstate the policy. So I'll order Admiral to rescind the cancellation and reinstate the policy with effect from the date Mr A took it out. (That's not to say that Admiral can't in future cancel the policy in line with its terms if for example Mr A hasn't paid the premium).

I'll also order Admiral to remove any record of the cancellation from any database on which Admiral has recorded it. And I'll order Admiral to send Mr A a letter (which he may show to future insurers) saying that it cancelled his policy unfairly.

I don't doubt that – by actions which I've found unfair – Admiral caused Mr A some worry and put him to some trouble. I think Admiral has prolonged this and made it worse by its response to the adjudicator's opinion. Overall I think £100 is fair and reasonable compensation for this.

### **my final decision**

For the reasons I've explained, my final decision is that I uphold this complaint. I order Admiral Insurance Company Limited to:

1. rescind the cancellation and reinstate the policy with effect from the date Mr A took it out;
2. remove any record of the cancellation from any database on which Admiral has recorded it;
3. send Mr A a letter saying that it cancelled his policy unfairly;
4. pay Mr A £100 for trouble and upset.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr A to accept or reject my decision before 20 June 2016.

Christopher Gilbert  
**ombudsman**