

complaint

Mr C's unhappy IGO4 Limited (trading as Wise Driving) cancelled his motor insurance policy and that he's been charged for this. He wants his policy reinstated or all the fees on the policy waived.

background

IGO4 said when Mr C took out the policy he was sent details of the cover and policy terms. He paid a deposit and then instalments. Mr C was made aware of a missed monthly direct debit payment and asked to contact it to avoid further action being taken. It said if he didn't contact it before a specified date the policy would be cancelled. It says it also tried calling a number of times but couldn't get through. It also sent other correspondence in the post and by email. As it didn't hear anything the policy was subsequently cancelled. But as it hadn't updated Mr C's mobile number it agreed to waive the £75 cancellation fee as a gesture of goodwill.

Our investigator felt this complaint shouldn't be upheld. She said:

- IGO4 accepts it didn't update Mr C's phone number. So, he wouldn't have received the calls it made to him. But emails and a letter sent to him were correctly addressed. It's not IGO4's fault if any weren't received. And with one exception these emails weren't returned. It made multiple and reasonable attempts through various methods to contact Mr C.
- The policy was cancelled and the cancellation fee correctly applied in line with the terms and conditions of the policy. IGO4 has also agreed to waive the £75 cancellation fee.
- It's reasonable for it to pass the debt Mr C owes to a debt collection agency. But if he's unhappy with the way the debt collection agency has acted he should take that up with the agency.
- It's up to IGO4 to decide how it charges for a policy and how much premium it takes upfront. That's not a matter we can comment on as it's a business decision.

Mr C remains unhappy and has asked for an ombudsman review.

my findings

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

Overall I think IGO4 made sufficient and reasonable attempts to contact Mr C by email and letter about the missed payment in January 2019 and warning him his policy would be cancelled if it didn't hear from him to resolve matters. Although IGO4 didn't update his phone number, as it should've done, he was sent a number of emails and a letter. These were correctly addressed and don't appear to have been returned. It isn't IGO4's fault if Mr C didn't receive some of them.

As the January payment wasn't made IGO4 acted reasonably, and in line with the policy terms and conditions, by cancelling the policy and applying the £75 cancellation charge.

IGO4 has accepted it should've updated Mr C's phone details. And in recognition of this failing it agreed, as a gesture of goodwill, to waive the £75 cancellation charge. I think that's fair and reasonable. And I've also seen nothing to suggest this was offered as an incentive to get Mr C to take out another policy as he suggests.

IGO4 was also entitled to pursue the debt Mr C owed. And if he's unhappy with the actions of the debt collection agency pursuing him he should take that up with the agency direct.

Taking everything into account I think IGO4 has acted reasonably and in line with the policy term and conditions.

Although I recognise Mr C's strength of feeling and frustration I don't think I can fairly or reasonably require IGO4 to do or pay anything more than it's already done. And I don't see any compelling reason to change the proposed outcome in this case.

my final decision

I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr C to accept or reject my decision before 3 August 2019.

Stephen Cooper
ombudsman