

complaint

Mr D has complained that Allianz Insurance Plc unfairly cancelled his policy and refused to refund what he paid to protect his No Claims Discount under a motor policy he bought in 2014.

background

Mr D bought a motor policy through a comparison website with Allianz in October 2014. He requested that his No Claims Discount (NCD) be protected. In October 2015 he renewed his policy. Mr D complained to Allianz about the following:

- It took the yearly premium too early from his bank account.
- Allianz applied a NCD protected premium which he didn't ask for.
- Allianz also applied a NCD protected premium to his policy from October 2014 which he didn't ask for and it refused to refund this premium to him.
- Mr D then wanted to reinstate his protected NCD to his 2015 policy but was quoted a different amount and Allianz couldn't reinstate it when he called.
- It didn't carry out a full data protection check on one occasion when he called it.
- He thought its Interactive Voice Response (IVR) message when he called it was too lengthy.
- Allianz unfairly cancelled his 2015 policy and refused to deal with him.

Allianz collected the yearly premium at midnight the day before the renewal date. However it refunded the 2015 premium to Mr D's bank account and collected it later and compensated Mr D by £10. It agreed to pay any bank charges he was charged subject to proof. It also agreed to refund the premium Mr D paid to protect his NCD under the 2015 policy as he asked for this to be refunded the day after his policy renewed. It acknowledged and thanked him for his comments about its IVR message.

Allianz apologised to Mr D for its failure to carry out a full data protection check on one of the occasions when he called it. The call handler asked only for the registration number of his car to identify him.

It didn't agree to refund the premium Mr D paid to protect his NCD in 2014 as he had requested this cover when he bought the policy. Mr D had also accessed his policy online in November 2014 and he hadn't told it during the policy year that he didn't want to protect his NCD. For the 2015 NCD protection premium, it explained that it didn't usually reinstate protected NCD once it had been removed so it had to refer this to another department to carry out the change. It told Mr D that the difference in the quote to reinstate this cover was £8.84, £0.02 less than two days earlier when Mr D was quoted £8.86 as there was two days less cover for the policy year.

Allianz sent Mr D a cancellation notice in November because of the abusive nature of his contact with it so it no longer wished to deal with him. Ten days later it cancelled Mr D's policy and charged him only for the days it insured him. It refunded the balance of the yearly premium he paid including what he paid to protect his NCD.

Mr D remained unhappy so he brought his complaint to us. The adjudicator who investigated it didn't recommend that it should be upheld. She was of the view that Allianz had dealt with Mr D's complaints fairly and its decision to cancel his policy was reasonable.

Mr D didn't agree so the matter has been referred to me to decide.

my findings

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

Mr D's policy says that Allianz can cancel its policy where it has serious grounds to do so, including;

"use of threatening or abusive behaviour or language, or intimidation or harassment of our staff or suppliers"

Based on the information Allianz has provided which includes emails and telephone calls from Mr D, I'm satisfied that Allianz considered the matter carefully before reaching its decision to cancel Mr D's policy and explained its reasons for doing so to him. It also gave Mr D proper notice so that he had time to buy a policy elsewhere to remain insured. So I don't think Allianz was unreasonable to Mr D when it cancelled his policy.

Allianz has shown that Mr D obtained a quote through a comparison website on 26 October 2014 and he answered "True" to the statement "NCD Protected". When Mr D bought his policy with Allianz, it sent him his policy documents which he could access through an online portal. It explained to Mr D under its key facts statement that his NCD was protected. And it was for Mr D to read his policy to make sure it was correct.

Mr D accessed his documents online in November 2014. So I think he could have contacted Allianz when he received his policy documents if he no longer wanted to protect his NCD but he didn't do this. And as Mr D had the benefit of the protection for the year, I don't think Allianz was unreasonable to him when it didn't refund the £13.82 he paid to protect his NCD in October 2014.

Mr D is unhappy with the length of time Allianz took to refund the balance premium to him after it cancelled his policy. Allianz cancelled Mr D's policy on 23 November. It sent the refund to Mr D's card details on 14 November. So I don't think Allianz caused any undue delay in refunding Mr D's remaining premium to him as it did this before the cancellation date.

my final decision

For the reasons given above, my final decision is that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr D to accept or reject my decision before 29 February 2016.

Geraldine Newbold
ombudsman