

## **complaint**

Mr S complains that Ageas Retail Limited wrongly cancelled his motor insurance policy and didn't give him enough notice of the cancellation.

## **background**

Mr S took out his policy online on 1 October 2017 to start the next day. On the proposal form he said he was buying a new car. Ageas asked for proof of his no claims discount ("NCD"). Mr S uploaded his last policy renewal document on 9 October 2017. As it wasn't acceptable he uploaded a letter from his previous insurer with proof of his NCD on 13 October 2017.

Meanwhile, Ageas had written to Mr S again. Its first letter said his policy would be cancelled unless acceptable NCD proof was received by 15 October 2017. The next letter said he had seven days (until 14 October 2017) to provide the proof. Both letters set out guidance about what was acceptable. They invited Mr S to contact Ageas if he had any questions. Ageas emailed Mr S again on 11 October 2017. It said the registration number on his NCD proof didn't match those on the insured car. It said the policy would be cancelled four days later.

After Mr S sent in the letter from his previous insurer on 13 October 2017, Ageas told him the vehicle registration on it didn't match either. It asked Mr S to contact it to explain the discrepancy. Mr S didn't see the email until the next day. He also found a further email telling him the policy had been cancelled with effect from midnight on 14 October 2017. Mr S was shocked to find he'd been driving without insurance for several days.

Mr S rang Ageas on 19 October 2017. He says he told it about the exceptional personal event that meant he hadn't contacted it the previous day. He says its advisor was unsympathetic. Ageas refunded Mr S's premium, minus a sum for time on cover. It didn't charge a cancellation fee. But it said it couldn't offer him another policy. He was worried that the cancellation would affect his future premiums. And he found he had to pay £150 more for his next policy. After Mr S complained to Ageas it offered him £75 compensation. It says that was for late notice of the cancellation and the lack of clarity in some of its letters.

Our investigator initially upheld Mr S's complaint. She said Ageas should have known the NCD was to be transferred to the new car. She thought records of the cancellation should be removed. She said Ageas should pay Mr S a further £100 compensation. Mr S didn't think that was enough, given the stress and inconvenience he'd faced. Ageas said it wasn't clear whether his new car was an *additional* vehicle. So it needed Mr S to clarify the issue. As it still thought the cancellation was correct, Ageas said it wouldn't take any further action. Mr S made a number of points disputing the investigator's view. But she accepted Ageas's further comments and decided not to uphold his complaint.

As there was no agreement, the matter was passed to me for 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.

I think it was reasonable for Ageas to want to know whether Mr C's new car was an additional vehicle or a replacement. His NCD could only be used on one vehicle at a time.

Mr S says he was never asked that question. I agree, but I think that misses the point. Ageas emailed documents to Mr S on 4 October 2017 and 7 October 2017. He says he only got the second email. Even if that's the case, that email said Ageas needed *acceptable* proof of his NCD within the next seven days, or the policy would be cancelled.

Ageas included details of what acceptable proof was. And it gave guidance that said if a registration number on the proof of NCD wasn't the same as that of the insured car, it needed to know why. Mr S hasn't said he didn't read the guidance notes, but given that he'd just been given a seven-day notice of cancellation, I think he should have done. Either way, Mr S didn't contact Ageas about the car's registration number. More importantly, I think he should have acted differently when he saw the email Ageas sent to him on 11 October 2017.

Ageas says it tried to call Mr S that day without success. In its email it said it couldn't accept the proof of NCD he'd just sent in, *because the vehicle registration on it was different*. The letter didn't say Mr S should contact Ageas – which I think it should have done. And it said the proof was needed by 15 October 2017. I assume that was an error, as the due cancellation date was the day before that. But I think Mr S should have realised he needed to contact Ageas regardless. He knew any further proof he got from his previous insurer would also have a different registration number on it. I appreciate he didn't know *why* the issue was relevant. But his policy was at risk of cancellation. As that's such a serious matter, I think it's fair to say he should have tried to find out what he could do to prevent it.

It isn't clear why it took Ageas five days to email Mr S again to say the further proof of NCD he sent to it on 13 October 2017 wasn't acceptable. Ageas says it tried to call him - again without success. And I think it's fair to say that in the circumstances here, Mr S could have called Ageas to check that the new proof was acceptable to it. I don't agree with a point Mr S has made about all contact having to be online. There are always times when it's sensible for insurers and consumers to call each other. I think this was one of them.

Ageas's email of 18 October 2017 made it clear once again that the problem with the NCD proof was the vehicle registration on it being different to the one on the policy. Ageas had no way of knowing that Mr S didn't take any calls that day or see his emails because of the very serious personal circumstances that had arisen. But clearly it wanted to hear from him.

The next day Ageas notified him that it had cancelled the policy from 14 October 2017 – in line with the seven-day cancellation notice. It said it had just updated central records. Mr S thinks the notice he was given wasn't enough. But he was told on 7 October 2017 that the cancellation would take place a week later unless he sent in *acceptable* proof of NCD. Ageas told him the proof wasn't acceptable on 11 October 2017. And it was willing to accept an explanation from Mr S up to 18 October 2017. It's very unfortunate – but entirely understandable - that events that day meant he wasn't available.

Mr S only paid for the time he had on cover, as Ageas didn't charge a cancellation fee. Although naturally Mr S was upset when he thought he'd been driving uninsured, Ageas didn't formalise / notify the cancellation until 19 October 2017. So he wasn't in danger of being stopped by the police for having no insurance before then. Had he been involved in an incident, Ageas says it would have dealt with it in the normal way under the policy.

Mr S thinks Ageas acted particularly harshly towards him, given the serious personal event that took place on 18 October 2017. He says its advisor was unsympathetic. I've listened carefully to the call Mr S made to Ageas on 20 October 2017. He didn't mention his personal circumstances. He said he wasn't able to check his emails every day, so he hadn't seen the

one sent on 18 October 2017 until the next day. I don't think the advisor was unsympathetic. But I understand Mr S's frustration at the time. I think it was only during this call that he realised just a call to Ageas would have avoided the cancellation.

I think the cancellation will affect Mr S's future premiums. The extent to which they may rise because of it is hard to predict. Ageas has suggested the reason for the cancellation here is one that other insurers won't consider as serious as other reasons would be. Whether that's the case or not, Ageas can't be asked to remove notice of the cancellation if it acted reasonably in cancelling the policy.

Overall, I think Ageas did act reasonably. I think its letters could have been better, but it offered Mr S £75 compensation partly for that. I don't think the late notice of cancellation had any practical impact on him, given the way Ageas dealt with the situation. I do sympathise with Mr S, as I think he was genuinely distressed by what happened. I know that won't be of much comfort to him, but taking everything into account, I can't uphold his complaint.

### **my final decision**

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 S to accept or reject my decision before 13 October 2018.

Susan Ewins  
**ombudsman**