

The complaint

Mr L has complained that IGO4 Partners Limited didn't tell him he had bought a telematics box car insurance policy. He complained that he didn't receive the telematics box to install it - and wasn't made aware his policy was at risk of being cancelled. He says IGO4 didn't allow him to backdate protecting his No Claims Discount (NCD). Mr L doesn't agree he should owe a balance on cancellation.

What happened

Mr L bought a car insurance policy online through a broker, IGO4. He paid for the policy in monthly instalments through a credit agreement.

IGO4 cancelled Mr L's policy as he failed to install the telematics box within 14 days, which was a term under the policy.

On cancellation IGO4 said Mr L owed a balance which he didn't pay.

Mr L complained to IGO4 about the issues I've summarised above.

IGO4 didn't uphold Mr L's complaint. It said it had provided clear information before Mr L bought the policy that it was a telematics box policy. It had sent the telematics box to him by post, and it had been signed for. It had explained in the welcome pack and in subsequent correspondence that if the telematics box wasn't fitted within 14 days, his policy would be cancelled.

IGO4 said the balance on cancellation was correct. As Mr L hadn't disclosed two incidents when he bought the policy, it had recalculated the premium he owed and charged administration fees for the changes. However, it agreed to waive the administration fees and reduced the premium back to the original level for the duration of cover as a goodwill gesture. This meant the final balance Mr L owed reduced from £253.51 to £165.69.

Mr L remained unhappy and asked us to look at his complaint. Our Investigator didn't recommend the complaint should be upheld. He didn't find IGO4 had done anything wrong.

Mr L didn't agree. In response, he says he was going through a difficult time personally around the time IGO4 cancelled his policy. He says nobody in his household received the telematics box and he didn't receive any communication from IGO4 about the box or that the policy would be cancelled.

So Mr L wants an ombudsman to decide. He wants his circumstances at the time to be taken into account.

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.

IGO4 has provided a copy of the online customer journey which Mr L would have seen when applying for the policy. This clearly shows that Mr L was made aware that the policy he was about to buy was a telematics box policy. The welcome pack sets out that it is a telematics box policy, highlights the requirement to install the box within 14 days, and what will happen if Mr L didn't do this.

IGO4 has provided copies of cancellation warning letters sent to Mr L by email and post. It cannot provide proof the telematics box was signed for as the Royal Mail doesn't hold this information indefinitely. But given it has been able to evidence all of the other information from the timeline, I am reasonably satisfied that more likely than not, IGO4 saw at the time that the telematics box had been signed for via the Royal Mail website.

Under the Schedule of Fact, it shows that Mr L chose not to protect his NCD. So I don't think IGO4 has acted unreasonably and I've seen no evidence to show Mr L has been disadvantaged by not protecting his NCD when he bought the policy.

I understand Mr L was going through a difficult time when his policy was cancelled and I'm sorry to read about this. But from what I've seen, I'm satisfied that IGO4 did nothing wrong. Although it was entitled to charge its cancellation fees in full, it hasn't done this. It has reduced the fees as a goodwill gesture. So I'm not asking it to do anything differently.

My final decision

For the reasons I've 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 L to accept or reject my decision before 17 December 2024.

Geraldine Newbold
Ombudsman