

complaint

Mr H complains that Europa Group Limited cancelled his motorcycle insurance policy without telling him. He wants a refund, compensation and record of the cancellation removed.

background

Mr H took out a policy with Europa through an online comparison site. Europa said it emailed Mr H to ask for a copy of his driving licence, but he didn't respond. So it cancelled the policy a month later. Mr H said he'd had no contact from it at all. He became aware of the problem when a debt collection company contacted him. He said Europa should have tried to contact him by other means.

Our adjudicator didn't recommend that the complaint should be upheld. He thought Mr H had opted to be contacted by email. He saw that Europa had sent him notices of cancellation by email although Mr H didn't receive these. So he thought it had fairly cancelled his policy and charged him a fee and for his time on cover. Europa told Mr H that the cancellation wasn't recorded on any external databases so he needn't tell future insurers of it.

Mr H replied that he'd had no contact from Europa at all. So he couldn't respond to its requests. Europa had no record of the email address it used. Europa said it had texted Mr H but it had no proof of this. He said Europa had wrongly said it had written to him.

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 can understand that Mr H feels frustrated that his policy was cancelled without his knowledge. Luckily, he wasn't using his motorcycle at the time so there were no unfortunate consequences for him. But Mr H was still asked to pay for his time on cover and a cancellation fee. He's also worried about the effect of the cancellation on his record.

I think Europa cancelled Mr H's policy as he hadn't sent it a copy of his driving licence. Mr H said he'd never been asked for this before, but I don't think this is unusual as part of the validation process. I agree there was some confusion in its letters and one phone call about what he needed to send. But I don't think this made any difference as Mr H didn't receive its requests anyway.

I've seen Europa's records and I can see that it sent Mr H an email with links to his policy documents (and requesting his driving licence). And then it warned him of the pending cancellation. This is marked "To Be Sent First Class", but it was emailed. Finally, it sent notice of cancellation of the policy by email.

Europa said Mr H opted for contact by email and so it used this medium. When he took out the policy online, Mr H opted to receive his documents by email rather than pay for postage. Mr H has said the emails may have gone to his Spam folder and his email provider automatically deletes these. So I don't think it was Europa's fault that Mr H didn't receive its emails.

Mr H said he may have opted to receive his policy documents by email, but he expected Europa to use other means to warn him of the pending cancellation.

The adjudicator has explained that this service believes that insurers should take reasonable steps to ensure that policy holders are told that their policy has been cancelled. This is because this will have serious consequences for them and expose them to possible court action.

Europa said it was using Mr H's preferred method of contact. As Mr H chose to receive his documents by email, I think it was fair for it to send all his documents by email. But I think it would have been reasonable for Europa to have tried other means to contact Mr H if it thought its emails weren't getting through. But they didn't "bounce back". So it didn't know he hadn't received them.

Europa said it texted Mr H, but he says it didn't. I've seen a file note that it did do this, but not evidence that it was sent. So I can't say what happened.

So I think Europa made reasonable attempts to contact Mr H by his preferred method. I think it reasonably cancelled his policy as he didn't respond to its requests. I think it's reasonable for it to charge Mr H for his time on cover and the cancellation fee. So I don't think it needs to refund this or pay him any compensation.

Europa has told Mr H that he needn't tell future insurers of the cancellation as it was due to non-provision of documents. But I agree with the adjudicator that this is something he should check with his broker.

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 H to accept or reject my decision before 22 August 2016.

Phillip Berechree
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