Decision Ref:	2021-0149
Sector:	Insurance
Product / Service:	Household Buildings
Conduct(s) complained of:	Rejection of claim - fire Lapse/cancellation of policy
Outcome:	Rejected

LEGALLY BINDING DECISION OF THE FINANCIAL SERVICES AND PENSIONS OMBUDSMAN

The Complainant incepted a home insurance policy with the Provider on **22 December 2014** that provided him with buildings cover of €125,000 and contents cover of €18,750.

The Complainant's Case

The Complainant's home suffered fire damage on **17 July 2016**. The Complainant says that it was only in the days after, that he first became aware that the Provider had cancelled his home insurance policy with effect from **26 April 2016**, due to the non-payment of premiums.

The Complainant says that he received no notification from the Provider that his policy premiums were in arrears and that it intended to cancel his policy, or that it had then cancelled his policy. In addition, the Complainant also advises that it had been his understanding that the insurance premiums were included with his monthly mortgage loan repayments.

As a result, the Complainant emailed the Provider on 2 October 2016, as follows:

> *"I want to know why* [the Provider] *did not send me letters giving me a warning that my policy would lapse. I was oblivious to this. I also was under the impression that both my mortgage and house insurance was part of the one package and when I paid my mortgage that they would take money for my house insurance"*.

The Complainant sets out his complaint in the Complaint Form he completed, as follows:

> *"On Sunday the 17th of July 2016 there was a house fire in our family home…due to an electrical fault. On Monday the 18th of July 2016 we contacted* [the Provider] *to see how we would go about putting in our claim.* [The Provider] *told us they would send out an assessor to us the following day. The following day there was no sign of an assessor. We left it a couple of days before contacting* [the Provider] *again to enquire about the assessor and it wasn't till then that* [the Provider] *notified us that we were not insured. Before this we were oblivious about this. As far as we were aware, our house insurance was up to date because it was included with our mortgage …*
>
> *We had a number of phone calls with both* [the Provider] *and the bank after our housefire. They said they sent us out letters to tell us our policy was cancelled since the end of April* [2016] *but we never received any until we requested one, which we received on the 28th of July 2016.*
>
> *On Friday the 29th of July 2016 we were speaking to* [Ms N.] *from the* [bank] *on the phone. She told us that even though the mortgage was in arrears, we were insured.* [Ms N.] *also repeated this to my wife.*
>
> *Then on Tuesday the 2nd of August, my wife phoned* [Ms N.] *and she denied saying that we were insured.*
>
> *On Wednesday the 3rd of August I had a meeting in the* [bank branch] *with* [Ms C.]*. After the meeting later that day,* [Ms C.] *rang me and said that if I brought the arrears on the insurance up to date that she would ring* [the Provider] *again about the fire and explain to* [it] *that the arrears were approximately €240 and if I paid this, that I would be insured.*
>
> *On Thursday the 4th of August I called to the* [bank branch] *with the money to cover the arrears.* [Ms C.] *was trying to find out the exact amount of arrears on the insurance but she was not able to find the figure. She told me to take the money home with me and she would get to the bottom of it.*
>
> *On Monday the 8th of August, I had a meeting with* [Ms C.] *at 11.30am. She told me that she had emailed* [the Provider] *and that her contact there was discussing it with their boss. On Tuesday the 9th of August,* [Ms C.] *rang me to say we weren't insured.*
>
> *We were also told that* [the Provider] *sent us a registered letter advising us about our policy cancellation.* [The Provider] *then contradicted* [itself] *and said that they only send registered letters out for car insurance.*

/Cont'd…

> *In August* [2016] *we received a letter* [from the Provider] *dated May 4th 2016 but we never received a letter until August 2016.* [The Provider] *also sent out a letter on October 17th* [2016] *after we sent them a complaint letter saying* [the Provider's] *records say they sent us two letters dated March 31st 2016 and April 12th 2016 and sent copies of both letters I never received them at all. This* [was] *the first we seen of these letters …*
>
> *Myself and my family were homeless for four months because of this not being resolved. I then had to go to the City Council and get a hardship fund from them just to make my home habitable for myself and my family. Still now to this day, my house is still not fixed to proper order that it should be because of this"*.

The Complainant seeks for the Provider to reinstate his home insurance policy from 26 April 2016 and advises in the Complaint Form:

> *"I would like* [this complaint] *to be resolved by getting the funds to correctly put my house back to the order that it was previously and also replace the contents of my house that were damaged in the fire"*.

The Complainant's complaint is that Provider wrongfully or unfairly cancelled his home insurance policy with effect from April 2016.

The Provider's Case

The Provider says that the Complainant incepted a home insurance policy with it on **22 December 2014**, via a named bank, which was an intermediary selling a home insurance product exclusively made available by the Provider. The policy was sold as a standalone product and the payment option chosen was direct debit instalments, which was arranged by way of a standalone direct debit, separate from any mortgage repayments on the property. In this regard, the Provider says that the Complainant entered into a mortgage agreement with the bank, a number of years prior to purchasing his home insurance policy at his local bank branch.

The sale of the policy was carried out by an intermediary and in line with the operating procedures in place, the intermediary electronically transferred to the Provider information relating to the Complainant's application for insurance, including the direct debit payment details. After the sale of the policy, the Provider became responsible for the administration of the policy including the setting up, processing and collection of the premium payments by way of direct debit.

In this regard, the Provider says that it wrote to the Complainant on **23 December 2014** to advise:

> *"I have arranged cover as shown on the enclosed schedule.*
>
> *Details of your premium payment will be sent to you shortly"*.

/Cont'd…

The Provider says that it then wrote to the Complainant on **5 January 2015** to confirm that a direct debit had been set up for the payment of his home insurance policy, as follows:

> ***"IMPORTANT:- Confirmation of the set up of your Direct Debit Instruction, including future payment schedule.***
> ***RE: … Home & Contents***
>
> *Dear* [the Complainant],
>
> *To ensure security of your Direct Debit payments, I would like to confirm the details you have provided.*
>
> ***Account Details***
>
> *Account Name:* **[The Complainant]**
> *Swift BIC:* ***XXXXIE2DXXX***
> *International Bank Account Number (IBAN):* ***xxxxxxxxxxxxxxxxxx8240***
>
> ***Payment Details:***
>
> *Date of First collection:* ***22/04/2015***
> *Day of the month to be debited on or after:* ***22nd of each month***
> *Frequency of Collection:* ***Monthly***
> *1st Amount to be debited:* ***€34.06***
> *Amount of next 07 Direct Debits:* ***€33.95***
> *Service Charge Rate:* ***0.00%***
> *Date of Signing:* ***02/01/2015****".*

In addition, the Provider notes that the Renewal Notice it sent to the Complainant dated **7 November 2015** clearly stated:

> *"Your Home Insurance policy is due for renewal on 22/12/2015. Based on our current information, your annual renewal premium is* ***€316.63*** *…*
>
> *If you choose to pay by* ***monthly direct debit instalments****, your payment is as follows:*
>
> ***First Monthly Premium: €26.56***
> ***Followed by 11 monthly deductions of: €26.37***
>
> ***If you are currently using the direct debit facility, we will continue to collect your premium by direct debits, unless we hear from you within 14 days****".*

/Cont'd…

The enclosed 'Your Payment Options' document advised as follows:

> *"**Monthly Direct Debit***
>
> *Last year's renewal premium was collected by monthly Direct Debit. For your convenience your monthly Direct Debit will automatically roll over at renewal. There is no need to reapply for this facility and unless we hear from you **BEFORE** the policy renewal date, we will recommence collections from your renewal month, based on your banking information that we currently hold"*.

The Provider says that accordingly, the Complainant's policy renewed on **22 December 2015** and the payment of the premium by way of monthly direct debit continued automatically.

The Provider says that on **22 March 2016** a monthly direct debit payment of €26.37 was returned unpaid by the Complainant's bank. As a result, the Provider issued the Complainant with a direct debit default letter on **31 March 2016**. This was an automated, system-generated letter which stated that the request for payment had been returned unpaid. This letter also advised that the Provider would attempt to collect the monthly direct debit amount of €26.37 a second time from the Complainant's bank account within 10 days.

The Provider says that the second attempt to collect the monthly direct debit payment of €26.37 was returned unpaid by the Complainant's bank. As a result, the Provider says that it issued the Complainant with a follow-up direct debit default letter on **12 April 2016**. This was an automated, system-generated letter which referred back to the previous letter of 31 March 2016 and stated that the second request for payment had been returned unpaid.

The Provider says that this letter also advised that in order to ensure that his home insurance policy was not cancelled, the Complainant must make contact and arrange a payment of two monthly premium instalments by cheque, credit or debit card. In addition, this letter clearly stated that if this payment was not received by 26 April 2016, then the Provider would invoke the cancellation clause of the home insurance policy and the policy would be cancelled on the same date.

In this regard, the Provider refers to the 'Terms and Conditions' section of the applicable Home and Contents Cover Policy Booklet provides at pg. 20:

> *"**CANCELLING THE POLICY** …*
>
> *We may cancel the Policy at any time by issuing a written notice to You at your last known address. If there has been no claim on the Policy We will return the premium for the unexpired Period of Insurance provided same has been paid."*

/Cont'd…

In addition, the Provider notes that the '**Your Payment Options'** document included with the Renewal Notice sent to the Complainant on 7 November 2015 clearly advised as follows:

> *"**DEFAULTS:** If the account holder fails to make a payment, we may cease this Direct Debit facility. In that event, and if the policyholder wants to continue under this policy, the balance of the annual premium will be payable in full and if not received we may cancel this policy. The notice of cancellation will be advised in writing to the policyholder by ordinary post"*.

The Provider says that having had no contact from the Complainant, it wrote to him on **3 May 2016** to advise that his home insurance policy had been cancelled with effect from **26 April 2016.**

In addition, because the bank was noted as an 'Interested Party' on the policy, the Provider also wrote to the bank on **3 May 2016** to advise that the Complainant's home insurance policy had been cancelled due to the default of direct debit instalments and that cover for their interest in the property, would continue for a period of 28 days.

The Provider says that it wrote to the Complainant again on 4 May 2016 confirming once again that his home insurance policy had been cancelled on 26 April 2016 and to advise that there was an outstanding balance of €45.46, this representing the pro-rata amount of premium relating to the period of time between the last successful payment by direct debit, and the date the policy was cancelled.

As a result, the Provider says that it is satisfied that it fulfilled all of its contractual obligations in relation to the cancellation of the Complainant's policy.

The Provider says that the Complainant telephoned it 10.59am on **18 July 2016** and during this call gave authorisation for the Agent to speak with his wife. The Agent confirmed to the Complainant's wife that his home insurance policy had been cancelled due to direct debit defaults. Having listened to a recording of this call, the Provider says that it can confirm that there was no mention that the Agent would register a claim for the Complainant or send out a loss assessor. The Provider notes that the Agent did advise in error that the direct debit default letter had been sent to the Complainant by registered post, rather than by ordinary post.

The Provider says that the Complainant wrote to it on **10 August 2016** to complain that a registered letter should have been sent to him to confirm the cancellation of his home insurance policy and that he never received any such registered letter. The Provider says that it clarified in its letter to the Complainant dated **12 August 2016** that household insurance cancellations are not sent by registered post. In this regard, due to an industry arrangement with the Motor Insurers' Bureau of Ireland that was in force in 2016, registered letters were issued for the cancellation of a motor insurance policy. The Provider says, however, that no such arrangement is in place for household insurance policies, nor is there any regulation which includes this obligation. In addition, the '**Your Payment Options'** document included with the Renewal Notice sent to the Complainant on 7 November 2015 clearly stated that:

/Cont'd…

> *"The notice of cancellation will be advised in writing to the policyholder by ordinary post".*

The Provider says that it cannot make any comment as to the content of the conversations that the Complainant and his wife may have had with the bank staff. However, the Provider notes from the policy file, that one of its Agents spoke with a bank representative on **4 August 2016**. The Provider does not have a recording of this telephone call but the note left on the file states that the Agent advised the bank representative that the Provider cannot reinstate cover. In addition, the Bank was advised that the Complainant could pay the outstanding balance on the cancelled policy of €45.46 and incept cover on a new home insurance policy from the current date. The Provider says that there is a further note on the policy file dated **11 August 2016** which again confirms that the Provider could not reinstate cover. The existence of this note suggests that there had been a further telephone conversation with a bank representative but again, the Provider does not have a recording of this call.

The Provider says that having reviewed the matter, it wrote to the Complainant on 12 August 2016, as follows:

> *"Your complaint concerns the cancellation of your household policy.*
>
> *A letter was issued to you from our office dated 12th April 2016. This letter stated if we do not receive payment by 26th April 2016, we will have no option but to invoke the cancellation clause of the policy and advised that your policy will cancel from midnight on 26th April 2016. This letter also stated that this would be our final communication. When cancelling a household party, no registered letter is required. This only applies to motor policies.*
>
> *While I understand the inconvenience that this has caused you I regret that I am unable to reinstate your household policy. There is a time on risk of* [€]*45.46 due on this policy, once this is paid* [the bank intermediary] *will quote you for a new policy"*.

The Provider notes that the Complainant maintains that he did not receive any of the four letters that it sent to him on 31 March, 12 April, 3 May and 4 May 2016 regarding the missed premium payments and the cancellation of his policy. The Provider also notes that prior to the cancellation and subsequently when responding to the complaint, that it sent multiple letters to the Complainant and it says that it would appear that all of these letters were successfully delivered to him at the same address the Provider has always had on file. In addition, the Provider notes that none of the four letters it sent regarding the missed premium payments and the cancellation of his policy were ever returned as undelivered by An Post.

Accordingly, the Provider is satisfied that it cancelled the Complainant's home insurance policy in accordance with the terms and conditions of the policy with effect from April 2016.

/Cont'd…

The Complaint for Adjudication

The complaint is that Provider wrongfully or unfairly cancelled the Complainant's home insurance policy, with effect from April 2016.

Decision

During the investigation of this complaint by this Office, the Provider was requested to supply its written response to the complaint and to supply all relevant documents and information. The Provider responded in writing to the complaint and supplied a number of items in evidence. The Complainant was given the opportunity to see the Provider's response and the evidence supplied by the Provider. A full exchange of documentation and evidence took place between the parties.

In arriving at my Legally Binding Decision I have carefully considered the evidence and submissions put forward by the parties to the complaint. Having reviewed and considered the submissions made by the parties to this complaint, I am satisfied that the submissions and evidence furnished did not disclose a conflict of fact such as would require the holding of an Oral Hearing to resolve any such conflict. I am also satisfied that the submissions and evidence furnished were sufficient to enable a Legally Binding Decision to be made in this complaint without the necessity for holding an Oral Hearing.

A Preliminary Decision was issued to the parties on **22 April 2021**, outlining the preliminary determination of this office in relation to the complaint. The parties were advised on that date, that certain limited submissions could then be made within a period of 15 working days, and in the absence of such submissions from either or both of the parties, within that period, a Legally Binding Decision would be issued to the parties, on the same terms as the Preliminary Decision, in order to conclude the matter.

In the absence of additional submissions from the parties, within the period permitted, the final determination of this office is set out below.

I note that the Complainant incepted a home insurance policy with the Provider on 22 December 2014. The Complainant's home suffered fire damage on 17 July 2016. I note the Complainant says that it was only in the days after, that he first became aware that the Provider had cancelled his home insurance policy with effect from 26 April 2016, due to the non-payment of premiums. I note that the Complainant also says that he received no notification from the Provider that his policy premiums were in arrears and that it intended to cancel his policy, or that it had then cancelled his policy on 26 April 2016.

However, I note from the documentary evidence before me that the Provider wrote to the Complainant on **31 March 2016**, as follows:

> *"Unfortunately your Direct Debit of €26.37 dated 22nd Mar 2016 has been returned by your bank unpaid with the reason Insufficient Funds.*

/Cont'd…

> *We will attempt to collect this outstanding premium payment from your bank account within 10 days. The only action you are required to take is to ensure that sufficient funds are available in your account.*
>
> *Should you have any queries please contact our Instalment Billing Team on* [telephone number listed].*"*

In addition, I note that the Provider wrote to the Complainant on **12 April 2016**, as follows:

> *"We refer to our letter of **31/03/2016**, unfortunately your bank have returned your re-presented direct debit unpaid. To ensure that your policy is not cancelled, we would appreciate payment of **€52.74** for two monthly premiums within fourteen days.*
>
> *If we do not receive your payment by **26th April 2016**, we will have no option but to invoke the cancellation clause of the policy and advise that we will cancel your policy from midnight on **26th April 2016**.*
>
> ***<u>Please note that this is the final letter we will be sending before we cancel your policy</u>*** *…*
>
> ***Please give this matter your immediate attention.***
>
> *To make your payment please call our Instalment Billing Team on* [telephone number listed]*"*.
>
> ***[<u>Emphasis added</u>]***

Having received no contact from the Complainant, I note that the Provider wrote to the Complainant on **3 May 2016**, as follows:

> *"The above policy has been cancelled with effect from 26/04/2016"*.

I note that the Provider also wrote to the Complainant the following day, on 4 May 2016, as follows:

> *"As you are aware your policy was recently cancelled from 26/04/2016"*.

I am satisfied therefore from the documentary evidence before me that the Provider wrote to the Complainant on two separate occasions, on 31 March 2016 and 12 April 2016, to advise that his home insurance policy premiums were in arrears and in the latter communication, that it intended to cancel his policy if the arrears of €52.74 were not received by 26 April 2016.

In addition, I note that the Provider wrote to the Complainant on two further separate occasions, on 3 May 2016 and 4 May 2016, to advise that it had cancelled his home insurance policy with effect from 26 April 2016.

/Cont'd…

As a result, I am satisfied that the Provider gave the Complainant clear and appropriate notice that his home insurance policy premiums were in arrears and that it intended to cancel his policy and indeed later, that it had then cancelled his policy.

Although the Complainant submits that he received none of these letters, I note that the Provider has advised that none of these four letters were ever returned as undelivered by An Post. In addition, I note the Provider's position that prior to the policy cancellation and subsequently when responding to his complaint, that it sent multiple letters to the Complainant and that it would appear that all of these letters were successfully delivered to him at the same address that it has always had on file.

In any event, I am satisfied that the payment of premium is the responsibility of the policyholder and that it is standard procedure that the non-payment of premium payments due, will result in an insurance policy being cancelled. If the Complainant had checked his current account transactions and statements on a regular basis, he would have observed that there were insufficient funds in his account to meet his home insurance policy premiums and/or that these premiums were no longer being collected from his nominated bank account.

I note that the Complainant says that it had been his understanding that the home insurance premiums were included with his monthly mortgage loan repayments.

However, I note from the documentation before me that the Provider wrote to the Complainant on **23 December 2014** to advise, as follows:

> *"I have arranged cover as shown on the enclosed schedule.*
>
> *Details of your premium payment will be sent to you shortly"*.

I note that the Provider then wrote to the Complainant by separate letter again on **5 January 2015** to confirm that a direct debit had been set up for the payment of his home insurance policy, as follows:

> ***"IMPORTANT:- Confirmation of the set up of your Direct Debit Instruction, including future payment schedule.***
> ***RE: … Home & Contents***
>
> *Dear* [the Complainant]*,*
>
> *To ensure security of your Direct Debit payments, I would like to confirm the details you have provided.*
>
> ***<u>Account Details</u>***
>
> *Account Name:* **[The Complainant]**
> *Swift BIC:* ***XXXXIE2DXXX***
> *International Bank Account Number (IBAN):* ***xxxxxxxxxxxxxxxxxx8240***

/Cont'd…

Payment Details:

Date of First collection:	***22/04/2015***
Day of the month to be debited on or after:	***22nd of each month***
Frequency of Collection:	***Monthly***
1st Amount to be debited:	***€34.06***
Amount of next 07 Direct Debits:	***€33.95***
Service Charge Rate:	***0.00%***
Date of Signing:	***02/01/2015***".

In addition, I note that the Renewal Notice which the Provider sent to the Complainant dated **7 November 2015** clearly stated, as follows:

> *"Your Home Insurance policy is due for renewal on 22/12/2015. Based on our current information, your annual renewal premium is **€316.63** …*
>
> *If you choose to pay by **monthly direct debit instalments**, your payment is as follows:*
>
> ***First Monthly Premium: €26.56***
> ***Followed by 11 monthly deductions of: €26.37***
>
> ***If you are currently using the direct debit facility, we will continue to collect your premium by direct debits, unless we hear from you within 14 days***"

I also note that the enclosed '**Your Payment Options'** document advised, amongst other things, as follows:

> *"**Monthly Direct Debit***
>
> *Last year's renewal premium was collected by monthly Direct Debit. For your convenience your monthly Direct Debit will automatically roll over at renewal. There is no need to reapply for this facility and unless we hear from you **BEFORE** the policy renewal date, we will recommence collections from your renewal month, based on your banking information that we currently hold"*.

I am satisfied that it is clear from the documentary evidence before me that the Complainant's home insurance policy was arranged by way of a standalone monthly direct debit payment from his nominated back account, which was separate from any mortgage repayments due to the Bank.

I note that as part of this complaint, the Complainant submits in the Complaint Form he completed as follows:

> *"On Sunday the 17th of July 2016 there was a house fire in our family home … On Monday the 18th of July 2016 we contacted* [the Provider] *to see how we would go about putting in our claim.*

/Cont'd…

> [The Provider] *told us they would send out an assessor to us the following day. The following day there was no sign of an assessor. We left it a couple of days before contacting* [the Provider] *again to enquire about the assessor and it wasn't till then that* [the Provider] *notified us that we were not insured."*

I have had access to the recording of the telephone call that the Complainant and his wife made to the Provider at 10.59am on **18 July 2016**, the day after the fire, and I note that this recording does not bear out the Complainant's recollection of this call. Instead, I am satisfied that the Agent confirmed to the Complainant's wife that his home insurance policy had been cancelled due to direct debit defaults and this Agent did not advise that he would register a claim for the Complainant or send out a loss assessor to investigate the loss.

The Agent did, however, incorrectly advise the Complainant's wife during this telephone call on 18 July 2016 that the direct debit default letter had been sent to the Complainant by registered post, when it had in fact been sent by way of ordinary post. Although errors of this nature can cause considerable confusion, I accept the Provider's position that it was under no obligation to send the direct debit default or policy cancellation notifications to the Complainant by registered post. In this regard, I note that the '**Your Payment Options'** document included with the Renewal Notice sent to the Complainant on 7 November 2015 clearly stated:

> *"The notice of cancellation will be advised in writing to the policyholder by ordinary post".*

I am satisfied that the fact that the Agent incorrectly advised by telephone on 18 July 2016 that the Provider had previously sent the direct debit default letter to the Complainant by way of registered post, in no way changed the fact that the Complainant had already missed direct debit premium payments which had fallen due, and that the Provider had supplied him with clear and appropriate notice that his home insurance policy premiums were in arrears and that it intended to cancel his policy if the premium payments were not brought up to date.

Similarly, I am satisfied that the Provider gave the Complainant clear notice thereafter that it had in fact cancelled his policy. I take the view that in doing so, the Provider fulfilled all of its contractual obligations to the Complainant, in relation to the cancellation of his policy.

I note that as part of this complaint, the Complainant submits in the Complaint Form he completed, as follows:

> *"On Wednesday the 3rd of August I had a meeting in the* [bank branch] *with* [Ms C.]. *After the meeting later that day,* [Ms C.] *rang me and said that if I brought the arrears on the insurance up to date that she would ring* [the Provider] *again about the fire and explain to* [it] *that the arrears were approximately €240 and if I paid this, that I would be insured.*

/Cont'd…

> *On Thursday the 4th of August I called to the* [bank branch] *with the money to cover the arrears.* [Ms C.] *was trying to find out the exact amount of arrears on the insurance but she was not able to find the figure. She told me to take the money home with me and she would get to the bottom of it.*
>
> *On Monday the 8th of August, I had a meeting with* [Ms C.] *at 11.30am. She told me that she had emailed* [the Provider] *and that her contact there was discussing it with their boss. On Tuesday the 9th of August,* [Ms C.] *rang me to say we weren't insured"*.

In this regard, I accept the Provider's position that it cannot make any comment as to the content of the conversations that the Complainant and his wife may have had with the staff of the Complainant's bank.

I have had access to a recording of all the telephone calls that the Provider has furnished to this Office in relation to this matter, including recordings of telephone calls between the Provider and the Complainant's bank and mortgage provider. I am satisfied that nowhere during these recordings did an Agent of the Provider suggest that the Complainant's home insurance policy could be re-instated, if he paid the outstanding balance of the annual premium. Instead, I note that the Agent clearly advised that if the Complainant paid the outstanding balance on the cancelled policy of €45.46, then he could apply for a <u>new</u> home insurance policy with the Provider from a current date, if he so wanted.

I note from the evidence before me that the Complainant's wife telephoned the Provider on **2 August 2016** and asked that a copy of the policy cancellation notice of 3 May 2016 be sent out again. I see that the Provider's system then generated a copy of this cancellation notice, which stated that:

> *"The above policy has been cancelled with effect from 26/04/2016"*

This was not a true copy however, as it was dated with the then current date of *"2nd August 2016"*, rather than the original issue date of 3 May 2016. Similarly, the Provider's system also generated a copy of the associated cancellation notice of 3 May 2016 that the Provider had sent to the bank as an 'Interested Party' on the policy. I note again that this bank copy was also dated with the then current date on which it was created, of *"2nd August 2016"*, rather than the original issue date of 3 May 2016.

Administrative errors of this nature are unsatisfactory and can cause confusion and frustration. Nevertheless, I am mindful that the evidence before me indicates that before this error had taken place, the Provider had already correctly advised the Complainant on at least six different occasions, as to the home insurance policy cancellation which had taken effect on 26 April 2016.

In this regard, the Provider wrote to the Complainant on 12 April, 3 May and 4 May 2016 regarding the policy cancellation, it confirmed the cancellation to his wife by telephone on 18 July and 28 July 2016, and it also wrote to the Complainant on 28 July 2016, as follows:

> *"The policy was incepted on 22/12/2014 and was cancelled on the 26/04/2016."*

/Cont'd…

I am of the opinion that, given the evidence made available by the parties, there is no reasonable basis upon which it would be appropriate to uphold this complaint. The policy was cancelled due to non-payment of premiums and I am satisfied from the evidence, that the Provider sent the appropriate warnings to the Complainant of its intention to cancel the policy, if the premium payments were not brought up to date.

Accordingly, as the evidence does not disclose any wrongdoing by the Provider in the manner in which the policy was cancelled, I take the view that this complaint cannot be upheld.

Conclusion

My Decision, pursuant to ***Section 60(1)*** of the ***Financial Services and Pensions Ombudsman Act 2017*** is that this complaint is rejected.

The above Decision is legally binding on the parties, subject only to an appeal to the High Court not later than 35 days after the date of notification of this Decision.

MARYROSE MCGOVERN
DEPUTY FINANCIAL SERVICES AND PENSIONS OMBUDSMAN

17 May 2021

Pursuant to *Section 62* of the *Financial Services and Pensions Ombudsman Act 2017*, the Financial Services and Pensions Ombudsman will publish legally binding decisions in relation to complaints concerning financial service providers in such a manner that—

(a) ensures that—
   (i) a complainant shall not be identified by name, address or otherwise,
   (ii) a provider shall not be identified by name or address,
   and

(b) ensures compliance with the Data Protection Regulation and the Data Protection Act 2018.