

The complaint

Mr C complained that Advantage Insurance Company Limited cancelled his motor insurance policy.

What happened

Advantage cancelled Mr C's telematics policy with them. This was because they weren't receiving driving data about his car, and he hadn't replied to the letters and emails they'd sent him about that or told them that he wasn't driving his car. But Mr C said he didn't receive their letters and their emails had gone into his email junk folder.

He said that as a result of the cancellation he couldn't find affordable car insurance and so was experiencing stress and difficulty in getting to work and other activities. He thought that Advantage should have tried harder to contact him before cancelling to give him the opportunity to prevent it.

Advantage said they'd followed the correct process for cancellation and had acted in accordance with their policy.

The investigator didn't recommend that Mr C's complaint should be upheld. He thought that Advantage had acted reasonably and in line with Mr C's policy terms. Mr C didn't agree and so I've been asked to decide.

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.

Mr C took out his policy with Advantage in May 2023. In doing so he agreed to follow the policy conditions. His policy said on page 46/7 that Advantage had the right to cancel his policy at any time by sending him seven days' written notice to the last postal or email address on their system, stating why the policy had been cancelled. The reasons for cancellation include that the policyholder shared an insufficient amount of driving data with them.

Advantage cancelled his policy on 12 July 2023 because there was no driving data recorded by the telematics device. Mr C said that he did receive post from Advantage when he first took out the policy, and then their letter dated 1 June 2023 stating that the app and wireless tab, for recording his driving data, were not set up. Mr C did then set up the tab and the app. But he said that the only other postal communication he received was Advantage's cancellation letter of 12th July 2023, which was the first he heard of the cancellation. He said that his car had failed its MOT, so he hadn't been driving it, and that was why Advantage weren't receiving any driving data.

Advantage showed us copies of their communications with him before they cancelled the policy. Advantage said that Mr C had set his communication preferences as postal, so they sent him letters but had emailed him as well.

Advantage said that even after Mr C set up the app and tab they were not receiving driving data from him. They wrote and emailed on 14 June 2023 saying that they were not receiving driving data and that they would cancel the policy if they didn't receive it. These communications said that he could call or contact them if he needed help. Advantage said that if Mr C had called them, and explained the situation, they could have insured him under a different policy which didn't require sharing of driving data. But because he didn't do that, they cancelled his policy because he was in breach of its terms.

On 28 June they wrote and emailed again saying there was a problem with his driving data, and they'd have to cancel his policy on 12 July if he didn't fix the problem or get in touch with them about it. When they didn't hear from him, they wrote to him confirming the cancellation on 12 July.

Mr C said he didn't receive any letter apart from those mentioned above. He said that he did receive Advantage's email communications of 14 and 28 June but didn't see them because they went into his junk email box. I don't question that, but Advantage have shown us copies of their above dated letters and emails to him. I see that their letters are correctly addressed. They also shown us evidence from their systems showing that they were sent when Advantage said they were. I don't think it's Advantage's fault if communications they sent were not seen or received. And though Mr C knew that he wasn't driving the car, he didn't contact Advantage to tell them that.

Mr C thinks that Advantage should have phoned him before they cancelled his policy. But it's not our role to stipulate what method of contact they should use. That's a matter for their commercial judgement, in which we don't get involved. As the investigator explained to Mr C, we expect an insurer to use two different methods of communication if cancelling a policy, and as long as they do that, that's fair, and Advantage have shown they did that.

I think that Mr C's situation is unfortunate, but what I'm deciding is whether Advantage did anything wrong. I don't think that they did. I think that they did all they needed to do to inform Mr C that the policy would end if he didn't provide driving data or contact them, and so I don't require them to do any more.

My final decision

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

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr C to accept or reject my decision before 29 March 2024.



Rosslyn Scott
Ombudsman