

The complaint

Mr A complains that Extracover Limited increased his car insurance premiums despite him scoring highly on their app, which rewards good driving.

What happened

Mr A complained to Extracover when his premiums were increased. He said the mobile app he uses showed he had a good score for driving well, which should've qualified him for a 20% discount. But he says that when he got his renewal price, the 20% discount hadn't been applied.

Extracover said that the score on the app was one of many other factors it uses to decide premium prices at renewal. Mr A remained unhappy, so he referred his complaint to this service. He told us that the app was problematic, and that he had to drive in such a way that other drivers would get annoyed with him and overtake him.

Our Investigator considered the complaint, but didn't think it should be upheld. Because Mr A didn't agree with our Investigator's assessment, the complaint has now been passed to me 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.

Having done so, I'm afraid I'm not upholding this complaint. I'll explain why.

Mr A has provided screenshots of his app which show that he had a good score for driving well. His concerns include that despite this, the discount he was promised wasn't applied when he received his renewal quote.

Mr A was also concerned about the problems with his app. He has sent screenshots showing that his driver score appeared to have "expired" and that the app didn't have enough recent trips from him to get a score.

Extracover has said that the driver score is not the only factor they take into account when deciding their renewal prices. And I've also seen a screenshot from Mr A that shows the renewal price before the driver score was taken into account was £236, which was automatically reduced to £213.17 due to the savings from the app. So I'm satisfied that Mr A was provided with a discount due to good driving. However, it wasn't as much as he thought it was going to be, because there were other factors which increased his premium at the same time his discount was applied.

Extracover has said that these factors include the economy, the motor industry, and the overall risk from all drivers on the road. And as the policy renews every 30 days the premiums are re-evaluated at the end of each 30 day policy period. So this could explain the issues he's having with the app saying his driver score has expired.

Taking everything into account, I can't fairly say Extracover has acted unreasonably in offering Mr A the renewal price it did.

My final decision

My final decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr A to accept or reject my decision before 27 July 2024.

Ifrah Malik
Ombudsman