

## **The complaint**

Miss R complains that Advantage Insurance Company Limited wanted to cancel her telematics motor insurance policy. She thinks the policy's requirements were unclear. She wants compensation for the increased cost of new cover elsewhere and for her trouble and upset. Miss R is represented in this matter by her father, Mr R, a named driver on her policy.

## **What happened**

Advantage said it told Miss R that her policy would cancel because she had breached the policy's terms and conditions when her driving score dropped below the minimum. Miss R said Advantage hadn't allowed for her not driving whilst she was away on holiday. She said she hadn't been given opportunity to improve her driving score. She said her new policy had cost more than £300 more and she wanted Advantage to compensate her for this.

Our Investigator issued two views on Miss R's complaint. He firstly upheld it as he thought that whilst Advantage was entitled to cancel the policy because of a breach of its terms and conditions, he thought it should firstly have given Miss R a chance to correct her driving behaviour. And he thought it hadn't done this as it decided to cancel her policy based on one day's driving.

But Advantage provided evidence that the cancellation had been triggered by high risk/dangerous driving on a number of occasions after the first day and during the notice of cancellation period. And so our Investigator thought it would have cancelled the policy in keeping with its terms and conditions in any case and he didn't recommend that the complaint should be upheld.

Mr R replied that no instances of high risk/dangerous driving were showing on the driving app. He said Miss R hadn't driven for a period whilst the family were on holiday, and he thought the app may have picked up his driving behaviour whilst Miss R was a passenger. Mr R thought the driving data may not be accurate.

Mr R thought Advantage hadn't taken notice that Miss R was on holiday, and this caused her driving score to drop. He thought Advantage hadn't given Miss R opportunity to improve her driving score before it said it would cancel her policy. He said that when she returned from holiday she was able to improve her score significantly. He thought Advantage's allegation of phone use whilst driving was incorrect. Mr R asked for an Ombudsman's review, so the complaint has come to me for a final decision.

## **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.

I can understand that Miss R felt frustrated that she was told her policy would be cancelled so soon after she took it out. Our approach in cases like this is to consider whether the insurer's acted in line with the terms and conditions of the policy and fairly and reasonably.

On page 39 of the policy booklet under "Your driving data terms and conditions" it states:

*“You can see your overall driving score (out of 100) in the app, as well as how you drove on every trip you have made. Your driving score needs to stay above 30 at all times, or your policy may be cancelled. You will always get plenty of time to find insurance elsewhere and you can cancel the policy yourself, so any future insurance applications won't be affected... The... app will clearly show you if your driving score gets close to 30.”*

This requirement is stated frequently in the policy documents. So I think it would usually be fair and reasonable for Advantage to rely on it to cancel a policy.

Advantage said that Miss R's score for her first three trips on the same day over a very short distance led to a score of less than 30 and so it told her the policy would be cancelled. I think this is in keeping with the policy's terms and conditions, but I'm not satisfied that it was fair and reasonable in Miss R's circumstances.

This is because we think consumers should be given a reasonable chance to correct their driving behaviour before the policy is cancelled. This is except where there is dangerous driving or excessive speeding, as drivers are required to drive in accordance with the law.

Mr R said Advantage didn't give Miss R sufficient opportunity to improve her driving after warning her about her low score. This was because she was on holiday and without access to her car.

I accept that Miss R wouldn't have then had opportunity to improve her score. And I can see that the score is depleted during periods of not driving except where Advantage has been informed and an exclusion applied. And it failed to do this in this case despite Miss R giving warning she was on holiday. But her driving score was below 30 due to her driving behaviour before she went on holiday. So this wasn't because of a lack of data.

Advantage gave Miss R 21 days' notice of cancellation. It has provided us with her driving data for that time. Miss R's driving score did improve on occasion, but it did drop below 30 again.

I can also see that Miss R had multiple instances of dangerous driving during that time. And the policy's terms and conditions state that this could lead to cancellation. Advantage has explained that using her phone for infotainment wouldn't have triggered the mobile phone use alert. And I can see that Mr R now accepts that Miss R's driving during that period was at times unacceptable.

So I agree Advantage unfairly cancelled the policy based on the initial three trips, and small driving sample. But given that the score later dropped below 30, based on specific driving data, I'm satisfied the policy would have then been cancelled in any case. Miss R cancelled her policy without a cancellation charge and found cover elsewhere. So the unfair cancellation didn't cause Miss R any loss and I don't require Advantage to pay her any compensation.

## **My final decision**

For the reasons 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 Miss R to accept or reject my decision before 5 August 2024.

Phillip Berechree  
**Ombudsman**