

The complaint

Miss I complains that Aviva Insurance Limited has unfairly cancelled her motor insurance policy and failed to provide a refund.

What happened

Aviva sent Miss I a cancellation notice on 22 November 2023, providing 7 days' notice that her policy would be cancelled. It said this decision had been taken because she had exceeded a 30mph speed limit by driving in excess of 45mph and in line with the policy wording, the policy would be cancelled.

Initially Miss I believed the telematics device could be in her old car which had been sold and she didn't think she was the driver of it at the time. It was later confirmed there was no question over the driver.

Aviva provided a final response which included details of the road where it believed Miss I was driving in excess of the speed limit, based on the telematic device data.

Our investigator looked at this complaint and said that she felt Aviva had acted fairly when making the decision to cancel the policy. She set out that the policy included a term which allowed it to cancel the policy within its "*Excessive Speeding conditions*".

She reviewed the information provided and felt Aviva had been reasonable to rely on this. She explained she was satisfied the coordinates demonstrated that Miss I was on a road with a variable speed limit and that the telematics device within her car recognised this. She was recorded as exceeding this speed limit at times and Aviva was fair to rely on this as a demonstration of her breaching the Excessive Speeding conditions. As she felt it was indicated everything was recorded correctly, she didn't think Aviva needed to do anything else now.

Our investigator also looked at the premium charged and whether Miss I should have received a refund after the policy was cancelled. She felt the premium charged for the policy was fair and when cancelled, Aviva deducted the costs set out within the policy. This left a small shortfall overall in terms of what Miss I should have paid compared to what she did, but Aviva decided to write this off and she felt it was fair in doing so.

Miss I disagreed with our investigators assessment. While we had been provided with the information needed, she said she had not when it was asked for. Instead she was passed to different people each time she spoke with Aviva and she didn't receive the final response from it for sometime.

She also said Aviva offered her to re-apply for insurance with it after the cancellation which she thought was strange after it had cancelled her policy. And Miss I said the app she had, which provided details about her driving linked to the telematics device gave no indication of an issue. And the scores this produced for the day in question did not show there to be a problem.

Our investigator looked at the complaint again and said the final response had been sent to the correct address and although she didn't dispute Miss I hadn't received this, she couldn't say Aviva made a mistake. She also explained that the score within the app was not dependant on speed alone and a number of measurable things. So she didn't think that the overall journey score being green for speed meant the telematics data was incorrect.

Miss I still believes she has been treated unfairly and that she will lose out with higher insurance costs now after the cancellation. And she asked that the complaint be referred for 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've decided not to uphold this complaint, for much the same reasons as our investigator. I appreciate Miss I will be disappointed by this, but I'll explain why I don't think Aviva has acted unfairly when it took the decision to cancel Miss I's policy.

Cancelling Miss I's policy

The policy terms and conditions set out that Aviva is entitled to cancel the policy if it is determined that Miss I was driving in breach of its Excessive Speeding conditions. Miss I disputes that she was driving at speeds which exceeded 45mph in a 30mph area and doesn't think Aviva has acted fairly when relying on the Excessive Speeding condition when cancelling her policy.

Aviva has provided the telematics data which includes details of the recorded speed and locations for this. Having reviewed this data, I don't think Aviva has acted unfairly when saying it believed Miss I was driving in excess of the speed limit. There is a period of time where the recorded speed does exceed both the speed limit and 45mph. So I think Aviva is entitled to rely on the Excessive Speeding condition.

I appreciate the road Miss I was on had different speed limits at different points. But I am satisfied the telematic data is reflective of this and follows the different points at which the speed limit changes.

Miss I has highlighted that the app which is provided to detail how she is driving did not demonstrate an issue with her speed on the day in question. I can see why when comparing the score of her app that Miss I would be disappointed and surprised to see her policy cancelled. But this provides a score between 0-100 for the total journey based on a range of factors. The time during which Miss I was in excess of the speed limit was a relatively short period and the other data for the journey would have taken account of everything else for the total journey when generating a score. But this does not take away from the fact that there was a period of time where the telematics data does demonstrate Miss I was driving in excess of 45mph in a 30mph zone.

Overall, I think Aviva has acted fairly when relying on the Excessive Speeding condition and cancelling Miss I's policy.

Cancellation fees

Miss I has also raised concerns about the cancellation fees for her policy and whether Aviva has acted fairly in retaining the last months premium that she paid.

Aviva has explained the total cost of Miss I's policy for the period she was insured was £538.41. This is based on the pro-rata cost of the insurance for the time insured, the telematics charge and the cancellation fee charge.

The policy documents set out the terms and conditions of the policy and explain £70 will be charged for the telematics device with insurance premium tax (IPT) added on top. And if the policy is cancelled after the period of insurance has started, a £50 charge will be applied with IPT added.

I am satisfied the cost of the insurance on a pro-rata basis is correct and Aviva made it clear what other charges might be applicable if the policy was cancelled. So I think the price charged was correct.

Miss I paid in total during this time, £507.17 leaving a £31.24 short fall. Aviva has said it has written this off and has not asked Miss I to pay this additional charge. With this in mind, I don't think Aviva has treated Miss I unfairly when it has said no refund is due on the policy and I see no reason to ask it to do anything else here.

Issues with customer service and the complaint

Miss I has said there was a number of issues when she spoke with Aviva about the cancellation and she felt she was being passed from one person to the next. And when the complaint was raised, the final response was not received in either hard copy or via email. This is despite there being no previous issues with emails or post being received.

There is always a level of inconvenience when something goes wrong and I appreciate it would have been distressing for Miss I as she looked for answers on something that she felt was an error. But I've not seen anything to demonstrate delays were added.

Aviva said the final response was sent on 21 December 2023 to the same email address it has previously used for Miss I. This was re-sent on 15 January after Miss I said this hadn't been received. I cannot see there was an error here and complaint handling is not a regulated activity and not something I can comment on.

I understand Miss I will be disappointed with the outcome of my decision as the policy cancellation may well have an impact on her insurance for some time. It is up to Aviva whether it wishes to offer insurance to Miss I in the future and whether she wants to accept this is her decision. But I am satisfied Aviva has made a fair decision to cancel the policy based on the information provided.

My final decision

For the reasons I've explained above, I do not uphold Miss I's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss I to accept or reject my decision before 11 September 2024.

Thomas Brissenden
Ombudsman