

The complaint

Mr D, Mr F and Ms P complain about U K Insurance Limited's ("UKI") decision to cancel their motor insurance policy.

Ms P is the policyholder and has acted as the main representative during the complaint process. So, for ease of reference, I will refer to any actions taken, or comments made, by either Mr D, Mr F or Ms P as "Ms P" throughout the decision.

What happened

Ms P took out a policy with UKI in October 2022 through a comparison site. Ms P says she was then made aware in June 2023 that her policy had been cancelled in March. Ms P complained to UKI about the cancellation and about their communication leading up to this. In particular, Ms P complained that UKI didn't attempt to call her or text her which would've alerted her to the issue.

UKI responded and explained the policy was cancelled as Ms P didn't adhere to the DriveSure terms and conditions she accepted when she purchased her policy. They explained a condition of the policy was for Ms P to record her driving data on UKI's DriveSure App ("App"). They said the DriveSure scheme was highlighted throughout the online sales journey, as well as being mentioned in the policy documents. UKI said, prior to cancelling the policy, they sent a DriveSure reminder email and App push notification asking Ms P to record her journeys or the policy would be cancelled. They said they didn't hear back from Ms P about this, and no journeys were recorded, so they wrote to Ms P to say the policy would be cancelled unless she activated the App and contacted UKI to make sure everything was ok. UKI said no contact was received, and no journeys were recorded, so the policy was cancelled. UKI explained, as the policy was cancelled correctly, Ms P would need to declare this when asked.

Our investigator looked into things for Ms P. She thought UKI hadn't acted unfairly in cancelling the policy, or in their communication with Ms P. Ms P disagreed so the matter has come to me for a 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.

Having done so, I've decided not to uphold the complaint. I understand Ms P will be disappointed by this but I'll explain why I have made this decision.

Ms P used a comparison site to get a quote for an insurance policy. UKI have provided a screenshot of the online sales journey through the comparison site, and this makes it clear the DriveSure scheme applies to the policy – and there's a link to the DriveSure telematics terms and conditions. I can see UKI then sent Ms P an email quoting a price for the policy and setting out some benefits of the policy. One of the listed benefits says, 'DriveSure' followed by a description which says, "*Telematics insurance that offers discounts for being a safe driver.*"

Ms P then took out the policy and a welcome email then followed which confirmed Ms P had taken out UKI's DriveSure policy. Under a heading 'What happens next?', it says, "*Your policy documents are already on their way to you. So now's a good time to read your telematics policy's terms and conditions. They're at the bottom of this email. If you don't stick to the T&C's, we may have to cancel your policy. And that could affect you when you try to buy insurance in future.*" The email asks Ms P to download the App and says, "*Using the app is a condition of your policy...You're responsible for downloading the app. Once you've done this, please register with the personal details you used to buy the policy and record all your journeys.*"

Then under a heading 'Recording your journeys', it explains how the app records journeys and says, "*If you don't record a journey for 14 days in a row and don't tell us, we may cancel your policy.*" Further in the telematics terms and conditions it says, "*If we don't detect a journey through your DriveSure App for 14 consecutive days we reserve the right to cancel your policy. This may affect your ability to purchase insurance in the future. If you know that you will not be making a journey for 14 consecutive days you must notify us immediately.*" I can see the terms and conditions also provide instructions on the steps Ms P will need to take on her phone settings to enable the App to record journeys and it says, "*It is a condition of your policy that all journeys that you undertake in your car are recorded by the DriveSure App.*"

UKI hadn't received any driving data, so they sent an email to Ms P. The subject line reads 'Don't forget to record your journeys' and says, "*We've spotted that you haven't recorded any journeys for ten consecutive days. It's important that your journeys are logged, as this is a condition of your policy and we may have to cancel your cover if this condition isn't met.*" Under a separate heading which reads 'Don't lose your cover', it again reminds Ms P that UKI may look to cancel her policy if no journeys are recorded for 14 consecutive days and this may affect her ability to buy insurance in the future. A push notification was also sent through the App letting Ms P know it had been 10 consecutive days since a journey was recorded, and the policy may be cancelled if no journey has been recorded for 14 days. I can see a letter was then sent in February 2023 to say UKI are cancelling the policy in two weeks because Ms P hadn't activated the App that was agreed as part of her policy. Under a heading 'How to stop your cancellation' it explains Ms P needs to activate the App and call UKI to confirm everything is ok before the cancellation date. Having not heard back, UKI then send a letter to Ms P after the two-week period confirming the policy has been cancelled.

So, taking this all into account, I can't say UKI have acted unreasonably in cancelling the policy. I think the policy terms and conditions made it clear Ms P had taken out a DriveSure policy and there were specific terms which Ms P needed to comply with to avoid the risk of her policy being cancelled. I think UKI took reasonable steps to alert Ms P about non-compliance with the terms relating to driving data not being recorded – and I think this gave Ms P a reasonable opportunity to rectify this to avoid the policy being cancelled. UKI have also provided a screenshot of their system which shows no journeys were recorded by Ms P, and I haven't seen any evidence Ms P notified them she wouldn't be using her car for 14 days or longer. So, I think there has been non-compliance with the terms and conditions of the policy, so I can't say UKI's decision to cancel the policy was unfair. I can see Ms P says she wasn't aware of the DriveSure scheme and UKI say Ms P must've been aware of this and the requirement to record driving data as she did download and register the App. Ms P says she did download the App, but this was because she received the initial email from UKI to say this needed to be done. Ms P says this doesn't mean she knew about the requirement to record driving data and she feels UKI are unfairly implying she was lying. Ms P says many insurance companies require policyholders to download an app and she probably thought it was to access policy documents.

I do acknowledge Ms P's points and I can see it was clearly upsetting for her to be told she must've been aware of the requirement to record driving data because she downloaded the App. I think UKI have made an assumption here. And although I think it's a reasonable assumption that a policyholder, who has downloaded the App, has likely read the terms and conditions covering why the App needs to be downloaded, I agree with Ms P's point that it doesn't definitely mean she did. Ms P acknowledges she didn't read all the terms and conditions and thought she was taking out a standard car insurance policy and not a telematics related policy. That said, and while I can see there may be an argument for saying downloading the App doesn't necessarily mean that Ms P was aware of the requirement to record driving data, I'm satisfied the other sections of the terms and conditions did though make it clear Ms P's policy was part of the DriveSure scheme and it was a requirement to record driving data – so I think the information about this was clear even if Ms P didn't read it.

I acknowledge Ms P has concerns about the communication methods used by UKI to inform her about the driving data issues. Ms P says UKI should've attempted to call her or text her, and had they done so, it would've alerted her to the issue. I do acknowledge Ms P's points here, but I don't think it was unreasonable in the circumstances for UKI to communicate with Ms P in the way they did. I can see UKI used three different communication methods, there was email, post and an App notification.

In the case of the App notification, UKI have provided a communication log showing this was sent. UKI say their system will only show this on the communication log if it's been successfully sent. So, given this is showing on there, I'm persuaded it was sent. In the case of the emails, Ms P says around the time UKI were sending emails about non-compliance, she was going through a very difficult time and *"...reading emails from insurance companies was certainly not something I had the time or energy to do."* In the case of the letter giving notice to cancel the policy, Ms P says she didn't open it at the time until she found it in July when she raised her complaint.

I do acknowledge Ms P was going through very difficult personal circumstances at the time the emails were sent to her, and I am sorry to hear about this. But I can't see UKI were made aware of any communication needs Ms P might've required during this time. In the absence of this, I think it was reasonable that UKI used three different methods of communication. I understand Ms P feels strongly that UKI should've called or text her, but I'm looking at what's fair and reasonable in the circumstances here. And in the circumstances of this case, I don't think UKI needed to communicate in any way above and beyond what they did. While I acknowledge why Ms P believes it would've been beneficial to receive a call or text, it doesn't mean UKI have acted unreasonably in the circumstances of this case.

In any event, I can see UKI have said they'll provide feedback to the relevant department about this. So, while I haven't upheld the complaint, and our service doesn't have the power to direct a business on what their process should be, I hope Ms P feels reassured her feedback about calling or texting customers about cancellation has been passed on by UKI.

I note Ms P says she wasn't aware of the cancellation, and it was only in June that she discovered she was uninsured for the previous three months. I acknowledge this will have been upsetting and frustrating for Ms P and I also recognise the inconvenience it caused in then having to urgently find alternative cover, which Ms P says was at a higher price due to not being able to take this out in advance. The policy terms and conditions set out the steps UKI will take if cancelling the policy and this says they'll give at least seven days' notice and they'll send this to the latest address they hold. Having looked through the information, I'm satisfied UKI did follow the terms and conditions around cancellation. The letter sent

notifying Ms P of their intention to cancel the policy gave two weeks' notice and was sent to the address they held for Ms P – and I note from Ms P's testimony this letter was received. So, while I acknowledge the impact on Ms P, I can't say UKI have made an error in the way they communicated the cancellation.

I understand Ms P will be disappointed, but I hope she feels reassured I've carefully considered the information here. I acknowledge the impact this event has had on Ms P, but I can't say UKI have acted unfairly in cancelling the policy or in their communication with Ms P. I wish to reassure Ms P I've read and considered everything she has sent in, but if I haven't mentioned a particular point or piece of evidence, it isn't because I haven't seen it or thought about it. It's just that I don't feel I need to reference it to explain my decision. This isn't intended as a discourtesy and is a reflection of the informal nature of our service.

My final decision

For the reasons I have given, it is my final decision that the complaint is not upheld.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr D, Mr F and Ms P to accept or reject my decision before 26 January 2024.

Paviter Dhaddy
Ombudsman