

The complaint

Miss M complains that Advantage Insurance Company Limited unfairly cancelled her motor insurance policy.

What happened

Miss M had a small hatchback car, first registered in 2013.

For the year from mid-March 2023, she insured the car on a telematics policy. That required an electronic tab and an app on her mobile phone to collect driving data.

The policy covered Miss M as policyholder and her parents as named drivers.

The policy was branded with the name of an insurance intermediary associated with Advantage. Advantage was ultimately responsible for any cancellation of the policy. Insofar as I hold Advantage responsible for acts or omissions of the intermediary, I will refer to them as acts or omissions of Advantage.

Miss M complained that, after the app stopped collecting her driving data, Advantage cancelled the policy without warning her.

By a final response dated early September 2023, Advantage turned down the complaint.

Miss M brought her complaint to us in mid-September 2023 with help from her father.

Our investigator didn't recommend that the complaint should be upheld. He didn't think that Advantage had been unfair in cancelling the policy.

Miss M disagreed with the investigator's opinion. She asked for an ombudsman to review the complaint. Her solicitor says, in summary, that:

- There's not enough evidence that Advantage sent letters before the cancellation.
- Those letters were not received.
- They have seen no evidence of any e-mails which have been sent.
- The only e-mail which Miss M has seen is the actual cancellation e-mail but it does not make sense that the actual cancellation notification would be sent by e-mail but not the correspondence which leads up to it (which is arguably equally if not more important).
- They request a copy of Advantage's internal policy or guidance which sets out precisely which communications are to be sent by e-mail to a customer and which are to be sent by mail.
- There is no reason why Miss M would want her car insurance policy to be cancelled (and why she would ignore important correspondence). She understood that she had signed up for a policy whereby a discount was provided in return for her providing her

driving data and there is no reason why she would not wish to comply with that obligation in order to secure the discount that she obtained.

- There is also no reason why she would simply ignore a number of letters which were sent to her, especially with the increasing seriousness of the tone of the letters.

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.

The welcome letter enclosed a statement of insurance that included an email address for Miss M.

Advantage's policy terms included the following:

*"Our rights to cancel your Policy
We may give you seven days' notice of cancellation
We and your Insurer can cancel your Policy at any time by sending you seven days' written notice to the last postal or email address on our system, stating why the Policy has been cancelled. We can only do this for one of the following reasons:
...
You share an insufficient amount of Driving Data with us during your Policy, we do not receive any Driving Data for more than 28 days, or a significant proportion of your Driving Data is captured without you using the App"*

Advantage wasn't receiving data.

I've seen a .pdf file of a letter dated 26 July 2023 from Advantage to Miss M. It included the following:

*"Please let us know if you're not driving much
You've not sent us any driving data in a while, so we're just checking in to make sure everything is set up right.
What you need to do
First, make sure you have your phone in the car when you're driving.
If you're just not driving much that's no problem, just let us know. That way we won't need to contact you about this again.
If you've been driving recently with your phone in the car, there could be a problem with your phone settings. Because we gave you a better price for sharing your driving style with us, you'll need to check your settings to see if you can fix this as soon as possible."*

I've also seen a I've seen a .pdf file of a letter dated 9 August 2023 from Advantage to Miss M. It started as follows:

*"Important: We may have to cancel your policy
We recently wrote to you to let you know there was a problem with your driving data. Because we gave you a better price for sharing your driving style with us, we'll have to cancel your policy on 23rd August 2023 if you don't fix the problem or get in touch with us to talk this through.
What you need to do
We don't want to cancel your policy, so please check your app and tab to make sure everything's working correctly. If you're still having problems setting up your app or tab, there's lots of help in our FAQs. Or get in touch so we can help."*

*If you no longer want a YouDrive policy
If you'd rather not use the app and tab, just get in touch and we'll try to find a new
policy that's right for you."*

Miss M didn't contact the intermediary or Advantage.

I've also seen a .pdf file of a letter dated 23 August 2023 from Advantage to Miss M. It started as follows:

*"Your car insurance has been cancelled
Your car insurance has been cancelled from 23rd August 2023, at which point all the
cover provided under your policy will end...
Your policy has been cancelled because of issues with your driving data. We'd asked
you to resolve these or get in touch so we could help but this didn't happen."*

Advantage has sent us a screenshot of its communications with Miss M. That includes the respective dates and times of the printing of each the three .pdf files and of the sending of emails.

In answer to our question, Advantage said the following:

*"Miss M... 's policy is set to receive communications via email as a preference... Miss
M... would receive her documents by email.
Referring to the Comms log, here you can see that both Email and Post has been
utilised although when post is not preferred the PDF of said document is available to
view on the ...MyAccount...
This portal and email communication it should be remembered is in addition the
YouDrive App itself, which does advise of the trip's successful sharing after each
journey."*

From that answer, I find that Advantage didn't send the .pdf files as letters in the post. Rather I find that Advantage sent the content of the .pdf files by email and put the .pdf files in Miss M's MyAccount portal.

Miss M replied to the email dated 23 August 2023 within a couple of hours – using the same email address.

In mid-September 2023, Miss M forwarded that exchange of emails to her father who forwarded it to us. That shows the format and content of the email dated 23 August 2023. The content is the same as the .pdf file of that date.

And clearly Advantage sent the email dated 23 August 2023 on that date to the correct email address.

So I find it more likely than not that Advantage also sent the content of the .pdf files dated 26 July 2023 and 9 August 2023 on their respective dates by email to the correct address.

From Advantage's screenshot or "comms log" and from its answer quoted above, I'm satisfied that Advantage also put the .pdf files dated 26 July and 9 August 2023 in Miss M's MyAccount portal on their respective dates.

I don't under-estimate the impact of the cancellation on Miss M. However I conclude that the cancellation was in line with the policy terms and not unfair.

My final decision

For the reasons I've explained, my final decision is that I don't uphold this complaint. I don't direct Advantage Insurance Company Limited to do any more in response to this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss M to accept or reject my decision before 4 April 2024.

Christopher Gilbert

Ombudsman