

The complaint

Ms G says U K Insurance Limited ('UKI') provided poor service, cancelled her motor insurance policy unfairly and didn't ensure she was aware of the cancellation.

What happened

On 16 January 2023 Ms G bought a telematics policy with UKI through a comparison website. After a non-fault accident on 10 February 2023 she found the policy had been cancelled on 6 February 2023. UKI said that was because Ms G hadn't downloaded the telematics application ('the app') as required within seven days of the policy's start date. It said its 'welcome' letter and pack - which referred to the need to download / register the app - was sent to her by email (and to her account in the online portal) on 16 January 2023. And it said an email reminder was issued on 21 January 2023.

As Ms G didn't respond, UKI sent a letter to her by post on 23 January 2023 telling her the policy would be cancelled on 6 February 2023 if she didn't download / register the app before then or contact UKI. UKI issued further letters to Ms G on 7 February 2023 and on 9 February 2023 (also sent to the portal) to confirm the cancellation.

Ms G said she hadn't received UKI's reminder email, nor the letter giving her notice of cancellation. She said she hadn't checked the portal, and that she only received the letters confirming the cancellation on 15 February 2023. Ms G also said she hadn't understood the type of policy she'd bought, or that the app was fundamental to it. She said she wouldn't have bought the policy had she known the facts. In addition, Ms G said as UKI wouldn't give any details to her partner on 10 February 2023, they didn't know the car wasn't insured. She said they drove it uninsured for seven days in total until she was able to call UKI.

One of our investigators reviewed Ms G's complaint. He thought UKI had acted in line with the policy's terms and conditions and that its correspondence with Ms G was clear. He thought it had provided evidence of the required postal cancellation notice having been issued. He said UKI didn't have to prove that its emails and letters had been received, just that they were sent to the correct addresses. Ms G provided numerous comments in response to the investigator's view. But in essence, she said the nature of the policy wasn't made clear, that UKI's correspondence was misleading and that she shouldn't have had to check the portal for important letters. The complaint was then passed to me for review.

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.

Ms G chose a telematics policy, which was designed to record driving behaviour with a view to a possible reduction in premium for good driving. These policies are generally useful to new or inexperienced drivers, or those with a poor driving history, and they are likely to benefit most from them. Ms G thinks the policy was mis-sold, but it wasn't recommended to her; she selected it from those shown on the comparison website.

As Ms G and her partner are experienced drivers with good driving records, the policy is unlikely to have benefited them. But there's no evidence that Ms G was misled into buying it. UKI has shown that the policy type was made clear on the comparison website and in the documents on its own website, which were sent to her as soon as she accepted the quote, via the portal. UKI says that form of communication was Ms G's stated preference - and the welcome email was also sent that day. Ms G says she got these documents (which set out the need to download / register the app within seven days). And she says she downloaded the app straight away - but she then forgot to register it.

If Ms G wasn't aware she'd bought a data-driven policy that required her and her partner's driving to be continuously monitored through an app, it's inexplicable that she didn't query it as soon as that became apparent, rather than just downloading the app. Ms G and her partner must have had many standard motor insurance policies previously, and standard policies don't have such requirements. But she allowed the policy to stay in place.

I appreciate that Ms G didn't receive the reminder email from UKI on 21 January 2023 - although UKI can show it was issued. But I think she had enough information already either to register the app and let the policy continue, or to call UKI to query its requirements. As she did neither, I think UKI had a valid reason to cancel the policy. It can show that it issued a letter by post (in line with the policy's terms and conditions) on 23 January 2023, giving her 14 days' notice of cancellation. As she didn't get it, Ms G thinks it should have been sent by other means (such as recorded delivery). But we can't tell insurers what processes to put in place - and UKI kept to the method that was set out clearly in the policy booklet.

I think it's very unfortunate that Ms G appears to have been let down by the postal system. It seems one letter was lost altogether. Two others took an undue length of time to arrive (although the cancellation confirmation was on the portal before 10 February 2023, when the accident happened). The other driver and her insurer took full responsibility for the damage caused, but Ms G will have to advise other insurers about the cancellation. I think the circumstances leading to it were such that it may not have the adverse impact on her future premiums that she fears. But either way, I don't think UKI can be blamed for the cancellation or for any consequences arising from it.

Ms G also complained to UKI about the poor service her partner received when he called to report the accident. She says UKI's advisor wouldn't give him any information and ended the call. UKI says the call 'dropped' unexpectedly, which I think is more likely to have been the case. It isn't uncommon when multiple lines are in use - and the call ending suddenly was likely to lead to Ms G's partner calling back anyway - which he did a few minutes later. The advisor told him that due to data protection rules, the permission of the policy holder (Ms G) was needed in order for UKI to discuss the policy with him. As that's accurate, and reflects standard practice, I don't think there's evidence of poor service in relation to this issue.

I don't have any doubt that due to the accident and the cancellation, Ms G faced a great deal of stress. That was the last thing she needed given her personal situation at the time, as she was coping with a new-born and a toddler. It's clear from the correspondence that Ms G spent a lot of time dealing with UKI and challenging its actions very shortly after she left hospital with her baby. That must have been exhausting and hugely inconvenient in the circumstances. But despite my sympathy for Ms G, I don't think she's shown that UKI cancelled the policy unfairly, that it didn't provide sufficient notice of the cancellation - or that it provided poor service. I know Ms G will be disappointed with my decision, but as I don't think there's evidence of UKI having acted unreasonably, I can't uphold her complaint.

My final decision

My final decision is that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms G to accept or reject my decision before 11 December 2023.

Susan Ewins
Ombudsman