

## **The complaint**

Mr W complains that Royal & Sun Alliance Insurance Limited (RSA) cancelled his telematics motor insurance policy. Mr W is represented in this matter by Mrs W, a named driver on his policy.

## **What happened**

RSA cancelled Mr W's policy because it said he had one bad speeding event and the policy's terms and conditions entitled it to then cancel the policy. Mrs W was unhappy that RSA had breached Mr W's privacy by discussing the event with her. And she wanted to see the evidence of the speeding event. RSA provided details of the event. But it said it shouldn't have discussed this with Mrs W without Mr W's consent. It paid Mr W £100 and Mrs W £50 compensation for this and reported the breach to its data team. But Mrs W remained unhappy.

Our Investigator didn't recommend that the complaint should be upheld. He saw evidence that Mr W had significantly exceeded the speed limit on one occasion. He thought the policy's terms and conditions allowed RSA to then cancel the policy. He thought RSA had acknowledged that it shouldn't have discussed the event with Mrs W without Mr W's permission. But he thought its compensation for this was fair and reasonable.

Mrs W replied that RSA's refund of premium was insufficient for the time on cover. Mrs W 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 Mr W felt frustrated that his policy was cancelled after only a few weeks, and he lost most of his £700 deposit. 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.

RSA relied on the terms and conditions under "Unacceptable Driving Behaviour" to cancel Mr W's policy. I can see that the policy's introduction, which was sent to Mr W when he took out the policy, states:

*"What happens if I speed?*

*If we see dangerous levels of speeding we'll send you an email to encourage you to take control. Repeated speeding can result in cancellation and one really bad speeding event can result in cancellation without any warning."*

So I think RSA made Mr W sufficiently aware of the policy's terms and conditions regarding bad speeding events. And I've seen the data that RSA relied upon, and I can see that RSA's

data team validated this and checked the raw data for accuracy. This shows that Mr W significantly exceeded the 30 mph speed limit on one occasion. And so I think it was fair and reasonable for RSA to then invoke the policy condition and cancel the policy with seven days' notice.

Mrs W was unhappy with the return of premium Mr W received following the cancellation. I can see that the cancellation terms are clearly set out on page 13 in the policy's document pack. The £150 telematics fee and £30 arrangement fee are non-refundable. And, in the case of cancellation after 14 days, the premium will be refunded on a pro-rata basis with a sliding scale. This takes into account the higher risk at the start of the policy when the driver is less experienced. This is clearly set out in a table.

So I think these terms were sufficiently brought to Mr W's attention when he took out his policy. And I think it's fair and reasonable for RSA to apply them. I've checked the refund he was given, and I think this was accurately calculated.

Mrs W was concerned about RSA's response to its breach of Mr W's personal data when it discussed the speeding event with her. As our Investigator explained, the Information Commissioner's Office decides on matters of data protection. But I can see that RSA acknowledged the error and has informed its data protection team in keeping with its procedures. I'm satisfied that its payments of compensation are fair and reasonable for any impact the error had. I don't require RSA to do anything further.

### **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 Mrs W and Mr W to accept or reject my decision before 20 December 2023.

Phillip Berechree  
**Ombudsman**