

The complaint

Mr H complained that Advantage Insurance Company Limited cancelled his motor insurance policy.

What happened

Advantage cancelled Mr H's telematics policy with them because they were not receiving driving data about his car, and he hadn't responded to the two communications they'd had sent him about that. Mr H said he hadn't received them and the first he heard of the cancellation was the cancellation letter email. By then it was too late to prevent it. He said he had to take out new insurance with another insurer in a hurry just before Christmas and without having been able to budget for it. It was also more expensive because he'd had to declare Advantage's cancellation.

He wanted Advantage to apologise for Mr H not receiving the emails, delete the record of cancellation, and compensate him for the extra payment he had to make the new insurer. He also felt that Advantage had implied to him that he could choose not to disclose the cancellation in future, and he felt this was unethical and they should explain themselves.

The investigator didn't recommend that Mr H's complaint should be upheld. She thought that Advantage had acted reasonably and in line with Mr H's policy terms. Mr H remained dissatisfied and so I've been asked to decide. Mr H's father dealt with the complaint on his behalf.

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 looked at Mr H's policy and it says on pages 46 and 47 that Advantage have the right to cancel the policy at any time by sending him seven days' written notice to the last postal or email address on their system, stating why the policy has been cancelled. The reasons for cancellation include that the policyholder shared an insufficient amount of driving data with them. Most policies we see allow an insurer to cancel a policy with at least seven days' notice in writing and we think that's fair and reasonable.

Advantage cancelled his policy on 22 December and sent him an email and letter confirming that. He phoned them about it that day. He said that was the first he'd heard about it, and it was completely out of the blue. He felt that Advantage should have called him about it first and made sure that he'd got their letters and emails before cancelling.

Advantage showed us copies of their communications with him before they cancelled the policy. On 24 November 2022 they wrote and emailed saying that he hadn't sent them any driving data in a while so they were checking if all was OK, and he could contact them if he needed help. On 8 December 2022 they wrote and emailed again saying there was a problem with his driving data, and they'd have to cancel his policy on 22 December 2022 if he didn't fix the problem or get in touch with them about it. When they didn't hear from him

they wrote and emailed confirming the cancellation on 22 December. Mr H says he didn't receive the 24 November and 8 December communications and I don't question that. But Advantage have shown us copies of them and I see that that they're correctly addressed and the email they have for him is correct. Advantage have also shown us evidence from their systems showing they were sent when Advantage said they were.

Mr H thinks that Advantage should have phoned him or otherwise checked with him before they cancelled his policy. He also thought that even if Advantage had sent the communications, they should have given him the benefit of the doubt that he hadn't received them, and reconsider and help him when he did get in touch. But though I appreciate that this situation would have been distressing for Mr H, it's not our role to stipulate that insurers should do these things, or to require what method of contact they should use. That's a matter for their commercial judgement, in which we don't get involved. We think that as long as an insurer uses two different methods of contact before cancelling that's fair, and Advantage have shown they did that.

I do think that Mr H has found himself in an unfortunate situation, and I understand that he is upset. But what I'm deciding is whether Advantage did anything wrong, and it's not their fault if communications they sent were not received. I think that Advantage did all they needed to do to inform Mr H that the policy would end if he didn't contact them, and so I don't require them to do any more.

And though Mr H felt that Advantage implied to him that he needn't disclose the cancellation in future, I don't interpret Advantage's phrasing in that way, and I haven't seen anything else from Advantage which would suggest that's what Advantage meant. So I don't require them to do anything in that regard.

My final decision

For the reasons I've discussed above it's my final decision that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr H to accept or reject my decision before 8 January 2024.



Rosslyn Scott
Ombudsman