

## **The complaint**

Miss B complains that Mulsanne Insurance Company Limited (“Mulsanne”) cancelled her motor insurance policy.

## **What happened**

Miss B had a motor insurance policy with Mulsanne, arranged through a broker. Her policy was one that used a telematics system (commonly known as a “black box”) to gather data.

She bought the policy on 6 December 2021 and it started immediately. The broker sent her a black box in the post which was apparently delivered on 11 December.

Miss B’s policy contained a condition that she needed to install the black box on her car within seven days of buying the policy. Mulsanne said it would also give an additional seven days, if needed, before it cancelled the policy.

But Miss B says the black box didn’t arrive and she contacted the broker on 20 December and asked for another one to be sent out. She asked that it was sent to a different address.

The broker asked Miss B for more information about where the first box had been sent to, but Miss B didn’t respond. The broker didn’t send a second black box.

As it hadn’t heard from Miss B, Mulsanne cancelled the policy on 24 December.

Miss B wasn’t happy about this and she complained. Mulsanne said it had given Miss B ample time to install the box, so it didn’t uphold her complaint.

Miss B remained unhappy and brought her complaint to this service. Our investigator looked into the complaint and upheld it. He didn’t think Mulsanne had proved it had delivered the black box to Miss B and he said he thought it was unfair of Mulsanne to cancel Miss B’s policy based on the fact that she’d not received the box. He thought it should refund its cancellation fee of £56 and pay Miss B £200 for her distress and inconvenience.

In later correspondence, Mulsanne provided confirmation from the postage company that the package containing the black box had been delivered on 11 December.

Mulsanne didn’t agree with the view, so Miss B’s complaint has been passed to me to make 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.

Mulsanne has written to the service saying that the choice and provision of the telematics device is entirely the choice of the broker who arranged Miss B’s policy. But Mulsanne cancelled the policy, which is the action that Miss B has complained about. So I’m satisfied this complaint has been brought correctly against Mulsanne.

Having read the file of information, I'm going to uphold Miss B's complaint and I'll explain why.

Miss B took out her policy from Mulsanne knowing that it was one using a telematics system. I can see from her policy documents several references to the fact that the black box must be installed within seven days of starting the policy.

I've thought carefully about Mulsanne's approach to its telematics policy and that it will cancel the policy if the black box isn't installed. Miss B's apparently arrived five days into her cover, meaning she had only two days in which to install it. I'm not familiar with the level of complexity of the installation, but having a window of only two days does seem very short.

Mulsanne say it then gave Miss B another seven days to fit the box, taking her cancellation date to the 20 December.

On that day, Miss B contacted her broker and told it she hadn't received her black box yet. I'm not sure why Miss B didn't chase it earlier to tell it she hadn't received the box, but I also understand she was visiting elsewhere at the time.

I can see from Mulsanne's evidence that it's provided confirmation that the postal service it used delivered the black box. Although I can't see the exact address, I think it's reasonable to say that it was most likely posted to the correct one. It's important that I say here that the confirmation of delivery does not necessarily mean that Miss B actually took receipt of the device itself.

Crucially, if Miss B had actually received the black box, why would she then report that she hadn't got it? I don't think Mulsanne has done enough to prove Miss B was at fault here.

When Miss B discussed the missing box with her broker, I also don't understand why it didn't agree to issue a second black box immediately. The policy documents mention supplying replacement boxes, with an additional cost, and I think it's reasonable to think that Mulsanne should have a clear policy in place to account for a device going missing as this one appears to have done.

Instead, Mulsanne seems to have cancelled Miss B's policy without discussing the matter further with her, causing her to be charged a cancellation fee of £56. It's my thinking that Mulsanne's immediate reaction should have been to ensure another box was provided, and then try and understand what had happened with the first one and resolve this fairly with Miss B.

By not doing this, Mulsanne has led to Miss B being charged an extra fee. She also had the inconvenience of her policy being cancelled the day before Christmas, and needs to notify her future insurers of its cancellation of her policy.

I don't think Mulsanne has acted fairly here. I think it's fair and reasonable to ask it to refund Miss B's cancellation fee and pay Miss B £200 compensation for her distress and inconvenience it has caused.

I also think Mulsanne should remove details of its cancellation of Miss B's policy from its internal database and any external databases. If it's not possible to remove the record, then they should be amended to show Miss B cancelled the policy.

### **My final decision**

For the reasons set out above, my final decision is that I uphold this complaint. I direct

Mulsanne Insurance Company Limited to pay Miss B:

- £200 compensation for her distress and inconvenience.
- £56 for the refund of her cancellation fee.
- Remove or amend details of the cancellation from its internal and any external databases.

Mulsanne Insurance Company Limited must pay the amount within 28 days of the date on which we tell it Miss B accepts my final decision. If it pays later than this, it must also pay interest on the amount from the date of my final decision to the date of payment at 8% a year simple.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss B to accept or reject my decision before 26 December 2022.

Richard Sowden  
**Ombudsman**