

The complaint

Miss A complains that Advantage Insurance Company Limited unfairly cancelled her car insurance policy.

Miss A is represented on this complaint but, for ease of reading, I've referred to Miss A throughout.

What happened

Miss A bought a telematics car insurance policy through a broker in November 2022. The policy requires Advantage to be provided with data about Miss A's driving. This is provided by a device which monitors her driving and sends the data to Advantage.

Advantage e-mailed to Miss A on 25 July 2023 to let her know it hadn't received any driving data for some time. It asked Miss A to check the telematics device was working correctly and gave some guidance on how to check this. Advantage asked Miss A to rectify the issue with it not being sent driving data, or to get in contact if she needed any help.

As Advantage didn't receive a response, and it still wasn't receiving driving data for Miss A, it e-mailed her again on 8 August 2023. In this e-mail Advantage said if the issue with the driving data wasn't fixed, or it didn't hear from Miss A, it would cancel the policy on 22 August 2023. As neither of these happened, Advantage cancelled Miss A's policy on 22 August 2023 and wrote to her to let her know.

Miss A received the letter sent on 22 August 2023 and called Advantage to complain. She didn't dispute that driving data hadn't been sent, but said she'd only received the letter when her policy had been cancelled. She didn't think it was fair that Advantage had e-mailed her on the other times it had tried to contact her and didn't agree it was fair to cancel her policy.

Advantage reviewed the complaint and didn't uphold it. It said Miss A's communication method was set to e-mail and that the notifications had been sent via e-mail and through the portal for her account. As Advantage hadn't received the driving data, or been contacted when it had written to Miss A it didn't think it had done anything wrong.

Miss A disagreed and referred her complaint here. She said the cancellation notice had been sent in the post and thought it was unfair Advantage had written to her via e-mail when trying to get in contact.

Our Investigator reviewed the complaint and didn't recommend it be upheld. He found that Advantage had used the communication method which had been set when the policy was taken out and found that Advantage had cancelled the policy in line with the terms and conditions.

Miss A didn't agree, she said she didn't agree the communication method was set to e-mail and that, if it was, Advantage had breached that by sending the cancellation letter via post.

As Miss A didn't agree the complaint has come to me to decide.

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 terms and conditions of Miss A's policy say:

"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"

Miss A hasn't disputed that driving data wasn't being sent to Advantage, so I've not considered that here. Instead, I've focused on the communication and whether Advantage acted fairly by cancelling the policy. I've reviewed Advantage's internal systems and can see Miss A's communication preference is set to "e-mail" and that it wrote to her via e-mail and her account portal on 25 July 2023, 8 August 2023 and 22 August 2023. On 22 August 2023 Advantage also sent a letter in the post.

I've also reviewed the communication Advantage sent and I'm satisfied that it's clear that Advantage wasn't receiving driving data and that either this needed to be fixed or Miss A should get in contact. Neither of these appear to have happened and so Advantage issued notice of cancellation on 8 August 2023 and then cancelled the policy on 22 August 2023. The terms and conditions say Advantage can cancel the policy by giving 7 days notification. It's only fair and reasonable to do so as long as Advantage gives Miss A sufficient notice.

I understand Miss A doesn't think Advantage acted fairly as it tried to contact her via e-mail and the online portal. However, I'm satisfied it has. I say this as Advantage e-mailed Miss A twice before her policy cancelled and then again on the day it cancelled. The communication was sent to the preference set when the policy was taken out and Advantage has no record of it being returned undelivered. So, while I understand Miss A's frustration due to the implications the cancellation has had, I'm not persuaded Advantage has done anything wrong. I've also considered Miss A's point about the final communication being sent via post as well. Given the implications a cancellation can have, while Miss A's preference was set to e-mail, I'm not persuaded Advantage acted unreasonably by also sending this letter via post.

I know this will be a disappointment to Miss A, but I'm not going to tell Advantage to do anything different.

My final decision

For the reasons explained 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 Miss A to accept or reject my decision before 22 April 2024.

Alex Newman
Ombudsman