

The complaint

Mrs D complains about how Accredited Insurance (Europe) Ltd handled the motor insurance policy she had with it after an event of excessive speeding was recorded. As Accredited can't show which named driver was driving at the time, she says the policy was mis-sold.

Mrs D is represented in this matter by Mr D, but, for ease of reading, I'll refer to Mrs D as the representations have been made on her behalf.

The policy is administered by another party who I'll call T in this decision, and it's underwritten by Accredited. So, as Accredited is ultimately remain responsible for the decisions regarding the cancellation of the policy and sale, I will refer to it throughout this decision, although some the actions were taken by T, acting as its agent.

What happened

The details of the matter which led to this complaint are well known to both parties, so I won't repeat them again here. Instead, I'll focus on the reasons for my decision.

When this matter was brought to the Ombudsman Service for an independent review, the Investigator considered matters and issued a view which I've anonymised and extracted below. Ultimately, the Investigator concluded Accredited had acted reasonably and in line with the terms of the policy. He was satisfied Accredited provided notice to cancel the policy fairly based on the telematics data received, as well as charging reasonable fees following cancellation of the policy by Mrs D. Further, he considered Accredited acted professionally and didn't agree the policy had been mis-sold.

'Prior to the policy being incepted, Mrs D ticked the box which says 'I have read my connected insurance agreement and important documents'. The important documents (Insurance product information, Fees, Policy wording, Demands and needs and Your insurance terms) were accessible at this stage and contain all the relevant information regarding the policy itself, and the policy can't be taken out without confirming these documents have been read.

Cancellation

I've asked Accredited to provide the data surrounding this incident as it appears to be the root cause of the subsequent issues that rose following the notice of cancellation. So, I wanted to be certain that Accredited had provided this notice of cancellation in line with the terms and conditions of the policy.

The telematics data itself is clear and concise, it shows the speed the vehicle was travelling at, the date and time, and also the location of the vehicle on a map. When reviewing this data, there's no disputing that the second-by-second record of the journey shows the vehicle travelling at 48 mph in a 30mph zone.

For completeness, I've followed the journey using Google Maps Street View which shows a clear 30mph speed limit sign as you approach the village. So, I don't have any concerns with

the data itself and I'm satisfied the speeding event has been captured accurately.

With the above in mind, I've reviewed the terms of the policy to understand what Accredited can do when a speeding event is detected through the telematics device.

"Our rights to cancel your policy

We can cancel your policy at any time but we have to give you seven days' warning. We do this with written notice to the email address we have for you, explaining why we've cancelled the policy. Any fees will still apply if we have to cancel your policy.

We can do this for, but are not limited to, one of the following reasons:

- You don't meet the rules about having the Accredited device and app, which you'll find in the Telematics terms and conditions section (for example, your mileage exceeding what you declared or you drive dangerously)." (page 20/21 of policy booklet)*

The above policy terms clearly lay out Accredited's rights to cancel the policy and what they're required to do when giving notice to cancel. There's no dispute that the notice of cancellation was received by Mrs D as Accredited was contacted following receipt of this, so I'm satisfied they followed their process in relation to this. But I need to look at the Telematics terms and conditions to determine what the rules about having the Accredited device contain.

"Excessive speeding

If you (or a named driver) persistently or excessively disobey the speed limit, we may cancel your policy. As a broad guide, excessive speeding means that if you were caught by a speed camera or the police, you'd receive a driving conviction or fine. You can check our rights to cancel in the cancellation section." (page 25 of policy booklet)

Given Accredited have defined excessive speeding in the terms and conditions as 'if you were caught by a speed camera or the police, you'd receive a driving conviction or fine', I'm convinced that it's fair for Accredited to have described the speeding event as excessive speeding.

Taking everything into account, I'm satisfied Accredited followed the terms of the policy by providing a notice of cancellation shortly after the speeding event, so I'll go on to associated fees that were incurred because of the cancellation.

Mis selling of policy

Mrs D has expressed dissatisfaction with Accredited not being able to identify who was driving at the time of the speeding event. So, I've looked at the information provided to her when the policy was purchased online (non-advised) through Money Supermarket on 20 February.

Accredited have provided the information presented to Mrs D prior to purchasing the policy, along with a snippet from their website which lists the features and benefits of the telematics policy.

The benefits listed on Accredited's website are as follows:

"If you've had your licence less than five years, Accredited is your way to benefit from a connected policy – with no hassle.

- ☐ *Make changes to your policy in the app or start a chat for help*
- ☐ *Regular driving feedback to help you improve*
- ☐ *No curfew or price hikes – ever*
- ☐ *A renewal that rewards you for good driving" (Extract taken from T's website)*

Whilst I can understand Mrs D thought the policy may separate the journeys based on who is logged into the app at any given time, the information on the website and within the terms and conditions of the policy doesn't specifically state that the telematics data distinguishes who is driving the vehicle when data is being recorded, nor does it say the data will be separated into individual driving profiles.

So, I haven't been presented with evidence to show the policy and associated app was advertised to provide driver specific data, and in any event, said data would be immaterial to the subject matter at hand – the cancellation of the policy.

Fees

Mrs D is unhappy with the fees applied once she cancelled the policy and feels they are excessive considering the policy only ran for 32 days. So, I've reviewed the terms and conditions that were agreed to prior to the policy incepting.

When a policy is incepted, there are various administrative tasks that we believe a business can charge for. In this case, page 27 of the terms and conditions highlight that it costs £50 to set up the new policy, it also confirms that this fee is non-refundable if the policy is cancelled. I don't find this amount to be unreasonable and have noted that this is separate to the cost of the telematics device, which is displayed as £36 including VAT.

Within the same page, the terms state that there's a cancellation fee of £30 if a policy is cancelled after 14 days. Again, these fees were clearly brought to Mrs D's attention prior to taking the policy out and were agreed to before the policy incepted.

I've listened to the call recording from 22 March when Accredited was contacted to query the notice of cancellation. During this call, the agent suggested they'd look to reimburse the cost of the telematics device should it be returned to them following cancellation of the policy. This isn't stipulated in the terms and conditions and Accredited have clarified that the agent had provided incorrect information over the phone. However, they've since offered to reimburse the cost of this fee which I think is a reasonable resolution to make up for the incorrect information being provided.

Given the policy was due to be cancelled fairly by Accredited and Mrs D utilised the opportunity to cancel it herself without having to declare the cancellation to any future insurers, I find the fees charged by Accredited to be reasonable and in line with the terms of the policy.

Conduct of staff

I can see concerns have been raised over the manner and conduct of Accredited's staff since the notice of cancellation was issued. So, I've looked at emails and calls to see if I agree that the staff could've handled communication better.

I've listened to the call recording between Mr D and Accredited on 24 March. Having done so, I'm pleased to hear that Accredited remained professional throughout the conversation

and answered each question to the best of his ability before letting Mr D know the complaint would be sent for a full review by the complaints team. At no point during this call did I feel that Accredited's tone or approach was inappropriate as stated by Mr D.

I've noted Mrs D has included further complaint points in correspondence with our service about a Data Subject Access Request (DSAR) and the completion of this task, but as this was requested after the date of the final response letter, we don't have permission to look into this particular aspect and the completion of the DSAR. However, I can see the request was passed to the relevant department by Accredited, but further concerns about the content of the DSAR would need to be raised with the Information Commissioner's Office (ICO).'

Mrs D didn't accept the Investigators view and a number of points were raised in response. The Investigator communicated to explain why this didn't change his view.

The matter has now been passed to me for a 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 recognise I've summarised this complaint in far less detail than the parties and I've done so using my own words. I'm not going to respond to every single point made by the parties involved. No discourtesy is intended by this. Our rules allow me to do this and it reflects the informal nature of our service as a free alternative to the courts. If there's something I've not mentioned, it isn't because I've ignored it. I've given careful consideration to all of the submissions made before arriving at my decision and I'm satisfied I don't need to comment on every individual argument to be able to reach what I consider to be a fair outcome.

Having done so, I'm satisfied the Investigator set out the reasons for his view clearly and thoroughly. And I've decided not to uphold this complaint for the same reasons. I would just make the following points.

- Taking everything into account, I'm satisfied the information Accredited gave about the policy, applicable fees and the way it operates was clear, fair and not misleading. I'm not persuaded Accredited saying feedback will be given to support driver improvement implies this will be based on each individual person driving the vehicle. In any event, Mrs D's policy was going to be cancelled due to a dangerous speeding event, therefore, time to improve wasn't a factor which would've changed Accredited's decision to notify Mrs D of its intention to cancel her policy.
- The policy terms are clear - the driving behaviour of the policy holder and named drivers will be considered and, where appropriate, acted on.
- Mrs D was sent an email on 22 March about a speeding event on 18 March. I'm satisfied the time it took for Accredited to notify Mrs D about this – three working days - was fair and reasonable.
- Mrs D complains the tone and approach of Accredited – in particular in a call with Accredited - was inappropriate and argumentative. Having considered this matter and listened to the call recording, I'm not satisfied this was the case. I consider the call handler was polite and professional throughout, unlike Mr D who was unnecessarily combative.
- As an informal dispute resolution service, we're not able to consider the public interest of an issue or review a businesses' processes. As the Investigator explained, that would be for the Financial Conduct Authority and Prudential Regulation Authority as the regulators. We look at the individual facts of the complaint which has been brought to this Service. And, having done so, I'm satisfied the steps Accredited has

already taken to put matters right - refunding the telematics box fee - is a fair and reasonable resolution to the complaint raised.

My final decision

For the reasons set out above, I don't uphold Mrs D's complaint. Accredited Insurance (Europe) Ltd doesn't need to do anything more than it has already to put matters right.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs D to accept or reject my decision before 18 April 2024.

Rebecca Ellis
Ombudsman