

## **The complaint**

Mr W complains Advantage Insurance Company Limited (Advantage) unfairly cancelled his motor insurance policy.

## **What happened**

In early February 2023 Mr W took out a telematics motor insurance policy with Advantage. The terms of the policy required Mr W to install a telematics device ('the tab') to monitor his driving. This recorded certain aspects of his driving, which included breaking, phone use, acceleration and speed. Each is given a score out of 100. Those scores are used to produce an overall cumulative driving score - also out of 100. The policy terms said if this score dropped below 30 Mr W would be sent a warning and his cover might be cancelled.

In January 2024 Advantage wrote to Mr W to say it would cancel the policy before the end of the term. It said this was because Mr W's driving score had dropped below 30. Mr W was unhappy with this. He said Advantage didn't notify him his score had dropped below the required score. So, he brought a complaint to this Service.

Our Investigator didn't uphold the complaint. She looked into the case and thought Advantage had acted in line with the policy terms when it cancelled Mr W's policy. Advantage accepted the Investigator's findings. Mr W disagreed. He referred to the policy terms that said Advantage would notify a customer if their score had dropped below 30, which he says didn't happen.

As Mr W remained unhappy with the Investigators view the complaint has been brought 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.

Advantage wrote to Mr W on 3 January 2024, giving him notice of its intention to cancel his policy on 24 January 2024, because his driving score had dropped below 30.

Mr W contacted Advantage once he became aware of the cancellation notice. He said on a previous occasion in February 2023 he received notification his score had dropped. He said Advantage should have warned him (before the policy was cancelled) again so he could improve his overall driving score. Advantage told him he had access to his driving score through the tab and was able to monitor his driving score.

*I've looked at Mr W's policy terms. On page 41 it says "we score your driving on a range of 0-100 and we show this clearly in the Hastings Direct App so you can see how you're doing. As part of the terms of this Policy you're required to capture your Driving Data on every trip and keep your Driving Score above 30, failing which we have the right to cancel your policy."*

*It goes on to say "The Hastings Direct App will clearly show you if your Driving Score gets close to 30." And "Your Driving Data will be shared with us from the date the policy starts. If*

*your Driving Score falls to 30 or below, we'll get in touch and give you plenty of time to take the appropriate action."*

On page 47 of the policy terms it explains *"We and your insurer can also cancel your Policy at any time by sending the Primary Policy holder 21 day's written notice (Cancellation Date) 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 and subject to your right to cancel at any time prior to the Cancellation Date:*

- *Your Driving Score drops to 30 or below..."*

I've considered the data Advantage provided from the middle to the end of December 2023. Mr W had low scores for speeding and breaking. And the data shows Mr W driving above the speed limit, for example driving at 40 mph in a 30 mph area, which impacted his speed score. Mr W's overall cumulative driving score dropped below the required score of 30 so I think it was reasonable for Advantage to cancel the policy.

I've considered if a warning letter should have been sent to Mr W by Advantage before it cancelled his policy. I saw Mr W's driving score fell in February 2023 and Advantage notified him, letting him know his driving score was getting close to the minimum. It told him where to find tips on how to get his score up and reminded him if his score fell to 30 or below, his policy would be cancelled. It told him to keep an eye on his score in the tab.

I consider it's Mr W's responsibility to keep track of the score using the tab, and as such he should have noticed this and taken action to improve it. I don't think Advantage was required to send a warning notification each time his score started to drop.

I appreciate why Mr W may have thought he would be warned on each occasion - the policy could be clearer. But I think the notification in February provided sufficient information on how Mr W could access his driving score and take steps to ensure it remained above 30.

The cancellation notice given to Mr W was in line with the policy terms, as Advantage gave Mr W 21-days' notice, and there was a valid reason for cancellation - his driving score had dropped below the minimum level required. So for this reason, I don't think Advantage needs to take any further action. It follows, I don't uphold this complaint.

After the cancellation notice was sent, Advantage incorrectly wrote to Mr W with a copy of his No Claims Discount and confirmation the policy wouldn't renew at the end of the policy year. This gave Mr W the impression the policy would remain active for the remainder of the term and the cancellation notice he'd received had been rescinded. Although I appreciate this must have caused some confusion to Mr W on whether the policy remained in place, I think Advantage clarified things quickly, which allowed Mr W to arrange cover elsewhere. As such, I don't think Advantage needs to do anything further.

### **My final decision**

My final decision is I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr W to accept or reject my decision before 15 January 2025.

Adam Travers  
**Ombudsman**