

The complaint

Miss J has complained that Admiral Insurance (Gibraltar) Limited unfairly and unreasonably cancelled her motor policy as her telematics (black box) was disconnected for too long a time. This meant she has had difficulty finding an affordable motor insurance premium with any other insurer.

Miss J is represented by her mother Mrs J. For ease of reference, I shall just refer to Miss J throughout.

What happened

Miss J took out a telematics motor policy with Admiral in May 2023. Her sister and brother were also named drivers on the policy. The black box plugged into the car via the cigarette lighter, monitors the driving and regularly reports on things the drivers are doing well versus what needs improvement.

Admiral said it sent Miss J a letter by post and email on 9 June 2023 showing that the tracking on the black box was unplugged for too long a period. Admiral explained that if the black box is unplugged for 5% of the time or 5% of the mileage, then it breaches the policy terms. This then permits Admiral to cancel the policy. So, this letter was warning Miss J her policy would be cancelled by 16 June and it was formally giving her the required seven days' notice.

Unfortunately, Miss J was away at the time, so she didn't open the posted letter in time and the email Admiral had sent had gone into her junk email folder, so she never saw it. Consequently, her policy was duly cancelled by Admiral on 16 June 2023.

Miss J complained and said the black box could be faulty or the connection to the cigarette lighter in her car could be faulty and she didn't think it was fair her policy was cancelled. Admiral wouldn't change its stance. So, Miss J brought her complaint to us. The investigator didn't think Admiral had done anything wrong bearing in mind the terms and conditions of the policy and the evidence from the black box. So, he didn't think the complaint should be upheld.

Miss J didn't agree and so her complaint has been passed 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.

Having done so, I'm not upholding this complaint. I'll now explain why.

I understand and appreciate Miss J will be very disappointed with my decision. But my role is to decide if Admiral has done anything wrong as regards the terms and conditions of the

policy. And as regards the evidence it has produced, and any Miss J has produced. We are an evidence-based service, and we don't go out and procure our own evidence to help either party's stance on the matter. That remains a matter for each party to do themselves.

Policy terms

The first thing to do is to examine what the policy says.

It says the following under *'How and where to install the device'*:

'Always keep the Plug & Drive unit plugged in, until we ask for it back.'

Under *'Dealing with device faults'* it says:

'Broken device

If we suspect the Plug & Drive unit to be defective during the term of the insurance policy, we will contact you and make all reasonable attempts to repair or send a replacement telematics unit free of charge.'

Under *'Tampering with the Plug & Drive unit'* it says:

'It is a condition of your policy that following the installation of the LittleBox Plug & Drive telematics unit it must remain plugged in at all times. If the data from the telematics unit indicates it has been unplugged for more than 5% of your mileage or we have reason to believe the telematics unit has been unplugged for more than 5% of the monitoring period, we will provide you with 7 days' written notice before terminating this agreement and cancelling your policy.'

And under the same heading it says:

'The Plug & Drive unit also has controls and attack safeguards and will notify us of any unauthorised interference or attempted interference with the telematics unit. You cannot, nor will you permit any other person to interfere with the signal that is emitted from the Plug & Drive unit, reverse engineer, dismantle, remove components from, relocate or make any alterations or additions to any part of the Plug & Drive unit.'

Under *'Our cancellation rights'* it says:

We can cancel your policy at any time by sending 7 days' notice in writing to your last known address.

In addition to the cancellation rights laid out in General condition 4 of 'Your Car Insurance Guide' we can cancel your telematics policy for these additional reasons:

...

you unplug the Plug & Drive unit for more than 5% of the mileage or monitoring period.'

I consider these policy terms are clear and that Admiral had the right to cancel the policy in the manner it did on the result of the data it received which I shall discuss further below. I also don't consider these terms are unfair or unusual with telematics policies either. They are standard across the motor insurance industry when providing a telematics policy. Miss J clearly wanted to buy a telematics policy and she chose this one supplied by Admiral. Therefore, in doing that, she's deemed to have agreed to the terms in the policy also.

Data evidence

Admiral said the data from the black box showed the device was unplugged for more than 5% of the mileage or monitoring period.

Admiral then explained to us what sort of notifications it gets from the black box. It said the black box *'is fitted with anti-tamper controls, allowing us to differentiate, at a glance, between a loss of GPS signal, a loss of power from the 12v power source, and a physical "unplug" from the 12v socket'*. It explained the plug part of the device which goes into the cigarette lighter, or power socket in the car has two buttons on the side of it, and that sends a 'plug in' event showing the device is connected as they are depressed when the device is plugged in. So, it can see for example that the device has lost power but is still plugged in as it receives a message saying 'loss of primary power' or indeed 'primary power restored' when the connection is made again. I consider this would cover the relevant issues if there was a faulty power supply from the socket as in there was something wrong with the socket. Admiral confirmed if it didn't receive a notice that 'primary power was restored' for a significant length of time, it would contact the customer. It also said this didn't happen with Miss J's device.

Admiral also explained that when the device is physically removed from the socket then the two buttons on the side of the plug along with a pin at the base of the unit pop out. That sends back the message 'plug removed'. And when it is plugged back in again Admiral receives a message 'plug replaced'.

Admiral also explained that loss of GPS signal has no bearing or significance on the tamper process. GPS devices will lose signal intermittently depending on the number of satellites that are overhead. And it's of no concern in collecting the data as it's so intermittent. Miss J has already seen the data clearly showing the messages Admiral received that were 'plug removed' and 'plug replaced'. Unfortunately, I consider it's irrelevant that the places that Miss J said the data showed the black box was unplugged, were remote country lanes. This is because I consider Admiral's evidence is clear that for it to receive an 'unplugged' notification, the two buttons on the side of the plug plus the pin on the bottom of the plug have to pop out as they are no longer held in by being inserted into the cigarette lighter or power supply. So that does indicate a physical removal of the plug from the power supply, rather than a loss of power. And secondly the fact the lanes were remote has little bearing on the matter.

So, I consider the differentiation of the notifications Admiral could receive are robust enough to show on the balance of probability the black box was physically unplugged and then plugged back in again. I also consider the amount of unplugging required to generate this notification had to be quite significant as the bottom pin had to pop out too, so I don't consider it wouldn't have been noticed that the plug had been unplugged either. Therefore, I don't consider Admiral did anything wrong in deciding this was a clear unplugged incident each time it happened, which then sadly accumulated up to 5% of the mileage or monitoring time period.

As regards evidence of the driving scores generated which Miss J asked about in referring this case for a decision, Admiral can share those with Miss J if she asks as that is information generated throughout the policy term and sent to the policyholder anyway. It should be noted the reason the policy was cancelled was solely due to the length of time the black box was unplugged only, not for speeding or anything else.

Cancellation issues

The policy terms clearly show that unplugging the black box as much as it was unplugged here, permits the policy to be cancelled. The regulator, namely the Financial Conduct Authority requires and permits an insurer to give seven days' notice of any policy

cancellation. Admiral clearly did this. This service considers it reasonable if the insurer uses both post and email to send such a cancellation notice, also. Admiral did this, here. It's not Admiral's fault the email went into Miss J's junk folder. And obviously it's not Admiral's fault that Miss J was away so couldn't open the posted letter it had sent either.

So as Miss J is the policyholder and responsible to ensure her car was driven in accordance with the policy terms sadly, she does have to declare she had a policy cancelled and indeed the reason why. The reason why should help explain things better in some cases with some insurers too.

As for Miss J's two siblings as they were named drivers, as Miss J has noted, they don't have to declare their policy was cancelled so the only effect in premium issues might then be their younger age and lack of whatever number of years they individually have held a driving licence.

Conclusion

So, taking all this into account there's nothing to show me that Admiral has done anything wrong here so there is no reason to uphold this complaint. Again, I do understand and appreciate how disappointing this is for Miss J.

My final decision

So, for these reasons, 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 Miss J to accept or reject my decision before 9 January 2025.

Rona Doyle
Ombudsman