

The complaint

Miss W complains that Advantage Insurance Company Limited (“Advantage”) cancelled her telematics motor insurance policy unfairly because of data transfer issues.

What happened

Miss W had a telematics policy with Advantage. This involved using a ‘tab’ device that recorded driving information and then shared it with the business via an app on her phone. Miss W says the trips weren’t always recording. She received emails and text messages from Advantage about this. She says she phoned the business on each occasion it made contact to try and resolve it.

Miss W says she wasn’t allowed to speak to Advantage’s technical team directly, which made resolving the problem difficult. She says she could see trips being recorded on the app, but these weren’t seen on Advantages end. Miss W says she counted 14 trips on the app, but the business still cancelled her policy. She says this is unfair and will affect her insurance premiums going forward.

In its final complaint response Advantage says Miss W confirmed she wasn’t keeping her Bluetooth switched on after she ended a journey. This is why it wasn’t receiving driving data. It says she was advised to keep this switched on.

In its submissions to our service Advantage says Miss W was told on 24 November 2023 that if no data was received on the app she should call again by 27 November. It says no data was received and no contact was made by Miss W, so it cancelled her policy in line with its terms and conditions.

Miss W didn’t think she’d been treated fairly and referred the matter to our service. Our investigator upheld her complaint. She says that Miss W confirmed she’d seen journeys recorded on the app after 24 November 2023. The total number of trips match with the records Advantage provided. On the balance of probabilities our investigator thought it likely that Miss W did see journeys recorded on the app after 24 November. As a result, she says it was unfair for Advantage to cancel the policy when it did. To put this right, it she says it should change the cancellation record, provide a letter confirming this for Miss W to show her current insurer, and pay her £150 compensation.

Advantage didn’t accept our investigator’s findings. As an agreement couldn’t be reached the 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 upholding Miss W’s complaint. Let me explain.

I’ve checked the terms of Miss W’s telematics policy. It says the premium she was offered is

based in part on its expectation of her driving style. It says it's a condition of her policy that she shares her driving data via the app, which she must download to her smart phone. The terms explain how Miss W's driving will be scored for each journey out of 100. It says the score needs to stay above 30 at all times or the policy may be cancelled. The terms also say Miss W will always be given plenty of time to find insurance elsewhere. And that she can cancel herself so not to impact any future insurance applications.

The policy terms say data is collected about speeding, high risk phone use, hard braking, cornering, and accelerating to help inform the price of Miss W's policy. Information on how to set up the tab and app is provided. It says Bluetooth must be switched on, which is important to allow Advantage to record driving data automatically. It also says the policy may be cancelled if insufficient driving data is shared during the policy term.

I think these terms are clearly worded. Miss W needs to set up the telematics app and ensure data is shared with Advantage. If she doesn't, this may impact on her premium and potentially result in cancellation.

I can see that Miss W's policy started on 14 September 2023. Advantage wrote to her on five occasions after this date. The letters refer to a lack of driving data. The business reiterates the need for the app and tab to be set up correctly. The letters on 25 September and 20 November say the policy may be cancelled if Miss W doesn't fix the problem or get in touch. In the later letter it says the policy will be cancelled on 4 December if this doesn't happen.

Miss W says she did contact Advantage each time she received its letters. I note her comments that she was often put on hold whilst its agent sought advice from other departments. I asked the business to provide records of all the calls it received. It responded with this information. This includes records of calls from Miss W that corresponds with the dates each of its letters were sent. In addition to some further contacts.

I think this reasonably shows Miss W was in regular contact with Advantage.

I've listened to a recording of the call that took place on 24 November 2023. This lasts around 12 minutes. The agent goes through settings changes to see if this will help the business receive Miss W's driving data. Miss W says she can see trips on the app, but that Advantage wasn't seeing this. She also says that she has now been leaving Bluetooth on, whereas this hadn't previously been the case. Miss W says this hadn't made a difference. After more discussion the agent tells Miss W that if nothing changes she should call back by Monday. The matter will be taken from there. This call was on Friday, so Miss W was expected to call back after the weekend.

At the end of the call Miss W asks about next steps. Advantage's agent says if the issue continues a ticket will be raised with its I.T. team. This will explain that there's an issue receiving any driving data.

Miss W says trips were recorded on the app after this call. Advantage has supplied its records that show three trips on 25 November 2023. There are 14 trips in total showing on these records. The business says the trips on 25 November wouldn't have been visible to Miss W on her app. This is because they were categorised as "*hidden trips*". It explains this means there was insufficient data to warrant these trips being recorded. This is either because of poor GPS data or potentially due to the trip being shorter than 0.3km.

I've looked carefully at this data. The shortest of the three trips is around 24 minutes. The distance isn't recorded on any of the entries. But I think it's unlikely Miss W travelled less than 0.3km during this timeframe. The indication from what Advantage says is that there was an issue with the GPS data.

We asked Miss W if she had a record of the trips she was able to see on the app after 24 November 2023. But she didn't have this information. She explains that access to the app was removed by Advantage once the policy was cancelled.

I've thought carefully about the records provided and what Miss W says in her testimony. Of relevance is that Miss W recalled 14 trips were showing on the app. This is same number of trips recorded on the data Advantage provided. This includes the three trips recorded on 25 November. Advantage maintains these trips were hidden. But the evidence indicates otherwise.

That said, the issue here is that journey start and end times were being recorded, but driving data wasn't. This data is expected to include information about speed, braking, cornering etc. Miss W explains that due to her "*sensitive work*" she had to be mindful to only have Bluetooth connected whilst driving. But after a call on 20 November 2023, she kept Bluetooth on at all times. This indicates she may have been switching Bluetooth off before the data was transmitted as Advantage suggested. However, this doesn't account for the period after 20 November when further journeys occurred, yet no driving data was received.

From the records provided Miss W was in regular contact with Advantage to try and resolve the data issue. She also changed how she was using Bluetooth. But this didn't help. The last thing Advantage's agent told Miss W on 24 November 2023 was that if the problem continues an I.T ticket will be raised. Miss W didn't call back on Monday, but she says she had seen further trips being recorded via the app. In addition, she says she was out of the country between 28 November and 3 December. This meant she wasn't driving during this period.

Having considered all of this I don't think Advantage treated Miss W fairly. I accept her policy terms require her to set up the tab and app so that the business receives driving data. But from what I've seen there was an ongoing issue that hadn't been resolved. Miss W was actively contacting Advantage to try and fix the problem. But she found this difficult due to the lack of direct contact with its technical team.

In these circumstances I don't think it was fair for Advantage to cancel the policy when it did. It should have contacted Miss W again after the discussion on 24 November 2023. Its agent didn't tell Miss W it would proceed to cancel on 4 December if no data was received. Rather it was implied that if the steps discussed over the phone didn't work the I.T. team would become involved.

I accept that Miss W could've called Advantage on 27 November 2023. But she had been in regular contact to try and resolve the issue prior to this. A cancellation record can have a significant impact when obtaining insurance and on the cost of a policy. I don't think this is fair in Miss W's case. To put this right Advantage should change the record to show Miss W cancelled the policy. It should also provide her with a letter explaining this has been done. She can show this to her current insurer to see if a refund is required.

I've thought about the impact all of this had on Miss W. She explains that she was pregnant when her policy was cancelled. This meant she had to find alternative cover quickly so she could attend hospital appointments. She describes how this experience caused her distress and anxiety.

I can understand Miss W's distress at her policy being cancelled. Especially given her attempts to try and resolve the issue. In these circumstances I agree with our investigator that Advantage should pay Miss W compensation. I think £150 is fair.

My final decision

My final decision is that I uphold this complaint. Advantage Insurance Company Limited should:

- change the record to show that Miss W cancelled its policy;
- write Miss W a letter confirming the change in how the cancellation has been recorded; and
- pay Miss W £150 compensation for the distress it caused her.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss W to accept or reject my decision before 28 May 2025.

Mike Waldron
Ombudsman