

The complaint

Mr O has complained that Aioi Nissay Dowa Insurance UK Limited trading as Tesco Bank Box Insurance (ANDI) wrongly inferred he was using his telematics motor policy for delivery driving activities which wasn't allowed under the policy. This led Mr O to cancel his policy causing financial detriment.

Mr O is represented by his mother Mrs O. However, for ease of reference I shall just refer to Mr O throughout

What happened

ANDI said that as it suspected Mr O of undertaking delivery driving it would cancel his motor policy. Instead, Mr O cancelled it himself on 23 March 2024. As Mr O has used the mileage value of his policy being 6,000 miles, ANDI charged him for the outstanding balance which amounted to £1,227.21 and the cancellation fee of £80. Mr O arranged with ANDI to pay off this amount by instalments.

Mr O then complained but ANDI wouldn't change its stance. So, he brought his complaint to us.

The investigator ultimately was of the view that Mr O's complaint should be upheld. He didn't think the evidence on balance showed Mr O was undertaking deliveries as ANDI suspected. So, he thought ANDI should refund the cancellation charge, remove the cancellation from all internal and external databases and pay Mr O £400 compensation.

ANDI didn't agree and asked for an ombudsman's decision. Mr O thought he should get more compensation. So, on this basis his 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 this complaint for much the same reasons as the investigator did. I'll now explain why.

Much of this complaint concerns the interpretation of the telematics data.

However, first, the policy provided cover for Mr O for social, domestic and pleasure driving. The policy also excludes cover for 'the use for carriage of passengers or goods for hire or reward'.

ANDI believed following the receipt of the driving data generated by the telematics box in Mr O's car that his usage showed patterns similar to what a delivery driver would do. As this activity is excluded in the policy it decided to rely on the following to cancel Mr O's policy:

“12.6 Cancellation

We can cancel your policy:

- *where your car is being driven or used other than in accordance with your Certificate of Motor Insurance”*

Clearly therefore, it's for ANDI to show on the balance of probabilities that the telematics data does show Mr O's driving behaviour was the same or similar to that of a delivery driver. And like the investigator I don't consider ANDI has shown that sufficiently. So, I don't think it's done enough to enable it to have decided to cancel Mr O's policy, albeit that it allowed Mr O to cancel it himself so as to avoid the issues of having a policy cancellation on his insurance record.

The telematics data can be divided up into several days as detailed below. ANDI see these as multiple journeys made to fast food outlets in the one day. It also doesn't think Mr O used the shortest route. It also said the car stopped and made U-turns which is classic delivery driver behaviour as it shows someone travelling to a residential area, making the delivery and then immediately leaving the area. It also believes the number of times a driver drives through a town can be suspicious too. It illustrated all this on maps showing Mr O's journeys.

Mr O has explained all these journeys as his normal journeys. They include a property where he spends at least four nights a week staying over, his college where he goes once a week, his girlfriend's house, his boss's house where he parks his car to go to work and he works four days a week. After work he visits his mother's house, goes back to where he stays about four nights a week to get changed out of his work clothes. Then, depending, he will meet friends and get food or collect his girlfriend to get food in another town where they might meet friends and sometimes, he will stay at his girlfriend's house also. Or otherwise, he might leave his girlfriend back home and go out and meet other friends and get food there. He often visits a peace garden where a friend's memorial is to meet up with mutual friends and get food. He meets friends in another park where they sit on a bench eating food. He often meets friends or his girlfriend from a bus stop near a square. He said he and friends frequent specific fast food outlets which he listed. Lastly, he explained he was the first of his friends to get his driving licence and a car, so he used his car a lot for socialising and meeting his friends.

The investigator detailed out the days at issue below. I have also examined the data and explanations of the data from ANDI and Mr O and I concur with the investigator's findings.

13 November 2023

The investigator showed there could have been four supposed deliveries on this day – picking up food or groceries then travelling to a residential area, but that was only on the assumption Mr O was a delivery driver. Obviously as our decisions are published, I can't name the outlets Mr O visited either but suffice it to say the outlets were fast food outlets, supermarkets and petrol stations.

15 November 2023

The investigator could only find one plausible kind of delivery journey on this day. The journey to a fast food burger outlet was a drive through order and Mr O then drove to his girlfriend's house and then a friend's house. Like the investigator I consider this is a normal sort of journey having been through a drive through fast food outlet.

23 November 2023

The investigator found three potential deliveries on this day, one being from shops to a carpark with residential access. Another from the market to the train station carpark, again with residential access and another from the petrol station to a residential street.

30 November 2023

The investigator found evidence of four plausible deliveries here – from some shops to a residential carpark, a market to the train station with access to residential houses, a petrol station to a residential street and a shop to another residential street. However, I consider it's unlikely that a delivery driver would deliver to a carpark in this way, delivery drivers are more likely to park on the street outside the delivery address to effect the delivery more quickly.

28 December 2023

The investigator found only one potential delivery trip here which was from the market to a cricket club. Mr O made another trip to a burger outlet but seemed to park up afterwards instead of delivering it, I assume to eat it.

4 March 2024

The investigator noted Mr O stopped seven times between 16.16 to 23.06 but like the investigator I don't consider that's enough stops to show that someone was delivering goods during that time period.

Conclusion

Mr O is a young driver, the first amongst his friends to get his driving licence and a car. Like many young men, he has lots of friends to include his girlfriend and they have a pattern of meeting up to spend time together. Again, like many young men who are also newly working whilst still at college one day a week, much of their time is spent on eating fast food and getting together in parks, and at his friend's memorial too, and generally hanging out with each other. I consider it's pertinent that Mr O works four days a week and attends college one day a week too.

Given he is the first of his friends to drive and have a car, I consider the number of journeys he did is fairly standard in his situation and one many other young drivers in his situation might well also do too. If he was a delivery driver as ANDI thought, I wouldn't have expected all these deliveries to carparks. Rather I would have expected short stops outside people's actual residences instead.

I consider Mr O's testimony of where all these stops were and for what reason to be more plausible than the conclusions ANDI reached. It's one thing having suspicions as ANDI had and with due reason in my view, but it has to go one step further in obtaining at least some evidence that its suspicions were justified. The data alone doesn't do this for ANDI given Mr O's explanations of his journeys, so I don't consider it has justified its suspicions sufficiently here.

Therefore, on balance I don't think it was reasonable to have issued Mr O with a cancellation notice which then induced Mr O to cancel this policy himself to avoid having a policy cancellation on his record.

Ancillary matters

When Mr O bought this policy, he said he was likely to do no more than 6,000 miles. However, Mr O found he was doing more than this, so he had to buy extra miles to keep his policy going. This was permitted by the policy as 'top up miles'. Therefore, Mr O remains

responsible for the cost of these 'top up' miles. So, ANDI did nothing wrong in asking Mr O to pay for this 'time and cost on risk' when he cancelled his policy. I am pleased to see Mr O was permitted to repay the amount of £1,227.21 by instalments.

As Mr O was allowed to cancel the policy himself by ANDI, that would mean there is no cancellation marker on his insurance record. So that in turn wouldn't have any effect on the premium price Mr O has had to pay elsewhere either. So, I don't consider ANDI can be responsible for any of that.

However, I don't consider Mr O should have to pay any cancellation fee, which was charged at £80 as in truth his policy shouldn't have had to have been cancelled by ANDI's suspicions. Therefore, I think ANDI should refund that with interest.

As Mr O cancelled the policy himself, the cancellation of this policy shouldn't be recorded on any external databases which would prejudice Mr O. However, on any internal databases ANDI should simply record this as a cancellation by Mr O alone.

Compensation

I consider ANDI's actions did cause Mr O some considerable distress, upset and inconvenience. I agree with the investigator's suggestion that ANDI should pay Mr O the sum of £400 compensation. Our stance on compensation is more fully detailed on our website and I consider this amount is in line with that stance. Therefore, it follows that I consider it's fair and reasonable in the circumstances here.

My final decision

So, for these reasons, it's my final decision that I uphold this complaint.

I now require Aioi Nissay Dowa Insurance UK Limited trading as Tesco Bank Box Insurance to do the following:

- Refund or deduct from Mr O's remaining balance the sum of £80 for the cancellation fee. Adding interest of 8% simple per year from the date it charged him this fee to the date it refunds it. If income tax is to be deducted from the interest, appropriate documentation should be provided to Mr O for HMRC purposes.
- Pay Mr O the sum of £400 compensation.
- Ensure the record of the cancellation on any internal databases is a cancellation made by Mr O only.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr O to accept or reject my decision before 27 June 2025.

Rona Doyle
Ombudsman