

The complaint

Mr L complains that Hastings Insurance Services Limited ('Hastings') – trading as Hastings Direct – unfairly cancelled his motor insurance.

What happened

Mr L had a Hastings motor insurance policy which started in February 2025. This was a telematics policy – a small wireless device, installed in the car and linked to an app on Mr L's phone, recorded data about his driving behaviour. This created a driving score marked out of 100. If his score dropped below 30, his policy was at risk of cancellation.

On 11 March, Hastings wrote to Mr L. It told him his score was getting low and he'd need to improve this or his policy would be cancelled. Mr L thought this was a mistake and called Hastings. Hastings' agent told him its data was accurate. It said he'd been speeding and using his phone while driving. On 20 March, it told Mr L his driving score had fallen below 30 which, under the policy terms, meant his policy would be cancelled on 10 April.

Mr L complained about this, but Hastings told him it wouldn't retract the cancellation. It explained that its data was "*downloaded in batches*", so it was possible that the 11 March warning notice was sent based on earlier data. It offered him the option of cancelling the policy himself before 9 April, so that he wouldn't have to declare this to other insurers. Mr L accepted this. Hastings refunded his £615.95 premium, less £126.79 for time on cover plus other costs.

Mr L brought his complaint to this service. He says his policy was cancelled unfairly and he was forced to take out a policy with another insurer. He also highlighted his professional driving experience and advanced driving qualifications. He'd like Hastings to refund his premium in full.

Our investigator didn't uphold the complaint. She thought Mr L was given adequate information about the factors that affected his driving score. She was satisfied Hastings told him his policy would be cancelled if his score dropped below 30. She thought Hastings had shown the data used to calculate his score was accurate. She thought its decision to cancel the policy and refund £489.16 was fair.

Mr L didn't accept this, so the complaint was passed to me to make a final 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.

Pages 63-66 of Mr L's policy booklet explain how the policy works and the consequences of a poor driving score. For example:

- Page 63. "*You can see your overall driving score (out of 100) in the app, as well as how you drove on every trip you have made. Your driving score needs to stay above*

30 at all times, or your policy may be cancelled."

- Page 66. *"Your driving data will be shared with us from the date your policy starts. If your driving score falls to 30 or below, we will get in touch and give you plenty of time to take the appropriate action. Some customers may be offered the ability to pay more to remain on cover and **some customers will simply be advised they are due to be cancelled.**"* [my emphasis]

Both the policy booklet and the online purchase journey give more information about the factors that affect the score: *"Speeding, harsh braking, fast accelerating, hard cornering and distracting mobile phone use are some of the key things that will impact your score."*

These are common terms in telematics policies and I don't find them unreasonable. Premiums for these policies tend to be cheaper than standard policies because the driver's driving behaviour is constantly monitored. The premium might increase with poor driving behaviour or, if particularly poor, the policy can be cancelled. Mr L's policy is no different.

Hastings confirmed that *"one particularly poor trip caused the score to drop significantly due to the high risk behaviours being displayed"*. I've reviewed the data for that journey:

- This was a 16-minute journey in the early hours of 8 March.
- There were 14 markers flagged during this journey.
- Five were speeding, four were 'distraction' events, and five were 'tapping' events.

Hastings explained that 'distraction' is where the phone is unlocked and moved around while the vehicle is moving, and 'tapping' is where the phone is being touched while unlocked. It said these can't be recorded by Mr L using his car's integrated entertainment system. It also confirmed that its Data Operations team had reviewed the validity of the data and confirmed it was accurate.

So I'm satisfied that it was both speeding and mobile phone use that dropped Mr L's score below 30. That's what it told him at the time, recorded in his 13 March email to Hastings: *"...your department had reported that I was speeding and using my phone whilst driving last Sunday."*

I've thought carefully about the data. Mobile phone use is detected when the screen is unlocked and touched while the car is moving. It later told him: *"The phone and tab need to be secure within the vehicle and not kept in any glove compartment, front or back seat, centre console or cup holders."* As I said above, these policies are cheaper than standard policies to reward good driving behaviour, so I don't think it's unreasonable to for it to apply severe restrictions on mobile phone use.

I also think it's important to note that the policy was cancelled in part due to five separate speeding incidents in a 16-minute journey. Mr L's driving rating for acceleration, braking, and cornering for this journey was five stars (out of five). That's what I'd expect to see given what M L told us about his advanced driving skills. Overall, I see no reason to believe the data is flawed or inaccurate.

I've also looked at Hastings' communication with Mr L:

- 11 March.
 - Warning email. *"Your score is getting low.... This means if your score falls to 30 or below, your policy will be cancelled."* It also advised Mr L how to store and safely use his phone while driving.

- Mr L called Hastings. It told him the data showed speeding and mobile phone use.
 - He emailed Hastings to complain.
- 20 March. Cancellation letter.
- 22 March. Response to his 11 March email.

I understand why Mr L was upset by this and thought it didn't give him a chance to improve his score. Page 65 of the policy booklet explains that the driving score "*can take up to 24hrs to refresh*" on the app. Mr L told us he was overseas from 11 to 21 March. So I think it's possible he didn't notice his score had dropped until he received the warning on 11 March. But that wouldn't have changed the outcome here because the data recorded on 8 March triggered automatic cancellation.

I agree with Mr L's view of risk: anytime someone goes on the road risk is increased. I also agree with him that Hastings shouldn't tell customers to make more journeys than they need. So, while I understand the logic and intent behind it, I think Hastings needs to be careful not to give the impression that it's recommending policyholders make extra journeys to improve their driving score. I think it's more appropriate to tell them they need to drive more carefully during their upcoming trips.

Finally, I've looked at the refund. This made a deduction for time on cover (4 February to 26 March) and additional fees. In the circumstances, I think it was reasonable for Hastings to make those deductions.

For the reasons above, I think Hastings' decision to cancel Mr L's policy was in line with the policy terms and was reasonable.

My final decision

My final decision is that I don't uphold the complaint.

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

Simon Begley
Ombudsman