

The complaint

Ms J complains that Advantage Insurance Company Limited unfairly declined to renew her motor insurance policy.

What happened

Ms J dealt with Advantage through an associated insurance intermediary.

For 2020 to 2021, Ms J had a vehicle insured on a telematics policy with Advantage.

For 2021 to 2022, Ms J had a vehicle insured on a non-telematics policy with Advantage.

For 2022 to 2023, Ms J had a vehicle insured on a non-telematics policy with Advantage.

For the year from late March 2023, Ms J and Advantage renewed the policy. The policy covered a sports utility vehicle that had first been registered in 2018.

For the year from late March 2024, Ms J and Advantage renewed the policy.

In early November 2024, Ms J got another sports utility vehicle (that had first been registered in 2020) and she changed the policy to cover that vehicle.

By a letter in late February 2025, the intermediary told Ms J that it couldn't renew the policy for the year from late March 2025. It included the following:

*"Why we can't offer you a renewal price.
We review lots of different factors when we consider if we can provide a price that's competitive, for example, it might be the car you want to insure has seen a huge increase in claims with that particular type of vehicle. Or there's been a dramatic rise in thefts in your area, which means the likelihood of a claim in your area has gone up dramatically too."*

Ms J complained to Advantage that it wasn't treating her fairly.

By a final response dated 7 March 2025, the intermediary turned down that complaint. It included the following:

"We searched our panel of insurers to find you a renewal price. However, none of them were able to offer one"

Ms J brought her complaint to us in mid-March 2025.

After receiving a file from the intermediary, we treated the complaint as a complaint against Advantage.

Our investigator didn't recommend that the complaint should be upheld. He thought that insurers are entitled to refuse to offer renewal. He also thought that Advantage had provided

an explanation which showed the decision to not offer renewal wasn't inherently unfair or unreasonable.

The investigator said that Advantage had explained that it had recently started to consider past telematics policy data as part of the underwriting process.

Ms J disagreed with the investigator's opinion. She asked for an ombudsman to review the complaint. She says, in summary, that:

- Telematics from 2020/2021 did not prevent the insurer from covering her in subsequent years.
- She would like to know how long telematics will impact on drivers.
- She would also like to know what about her telematics data made the insurer reach the decision.
- Advantage has unfairly excluded and disadvantaged her because she made a claim. She was stationary when a driver hit her vehicle. It was written off.

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.

Scope of this decision

The Financial Conduct Authority's dispute resolution rules are binding on the Financial Ombudsman Service.

One such rule is that, before we can investigate a consumer's complaint, the consumer must first have made that complaint to the regulated firm and waited for up to eight weeks for a final response.

It sometimes happens that a consumer makes a complaint to the firm, receives a final response and brings the complaint to us, but with the addition of more recent points of complaint. In such circumstances, the rule means that we can deal with the initial complaint, but the consumer would have to make the additional complaint to the firm and wait for a final response before we could investigate that.

Also, we have to operate a two-stage process under which an investigator gives an opinion and, if either party asks, an ombudsman gives a final decision.

Ms J's complaint before the final response was a complaint about refusal to renew her policy.

Our investigation has pointed towards telematics data and Ms J understandably has questions. However, I can't investigate or make findings on issues that she has not yet raised with Advantage, such as a request for her telematics data or how long Advantage will keep such data.

Findings

I can understand that it was inconvenient and irritating for Ms J that Advantage wouldn't renew her policy.

However, most motor insurance policies are for a period of one year. Whilst some contain provisions for automatic renewal, neither the policyholder nor the insurer is obliged to renew the policy.

Different insurers assess risk in different ways at different times. The Financial Ombudsman Service cannot tell an insurer how to assess risk.

Neither Ms J nor Advantage has told us the date of the accident to which she has recently referred. As she has mentioned a write-off, I find it likely that the accident was before the change of vehicle in November 2024.

Many insurers regard any claim (including a non-fault claim) as increasing the risk of a future claim. So it wouldn't be unfair for an insurer to take it into account as part of its underwriting criteria. However, I haven't seen any evidence that this was the reason why Advantage didn't offer renewal.

The rules by which we are governed allow us to receive information from a regulated firm without sharing it with the complainant or publishing it on our website.

So the investigator and I have seen certain very limited information that Advantage kept from the old telematics policy. And we've seen an explanation from Advantage of why it didn't use that data to assess risk in the years before 2025.

I'm satisfied that this data was the reason why Advantage didn't offer renewal. And I'm satisfied that Advantage treated Ms J in the same way as it would've treated any policyholder in the same situation. So I don't conclude that Advantage treated Ms J unfairly.

Importantly, Advantage didn't do anything to damage Ms J's opportunity to get insurance elsewhere in 2025.

Overall I don't conclude that Advantage's refusal to renew the policy treated Ms J unfairly. So I don't find it fair and reasonable to direct Advantage to do any more in response to this complaint.

My final decision

For the reasons I've explained, my final decision is that I don't uphold this complaint. I don't direct Advantage Insurance Company Limited to do any more in response to this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms J to accept or reject my decision before 10 October 2025.

Christopher Gilbert

Ombudsman