

The complaint

Mr K complains about Accredited Insurance (Europe) Ltd's ("Accredited") decision to cancel his car insurance policy when it said he'd been speeding.

What happened

Mr K had a car insurance policy with Accredited, the terms of which required him to have a telematics device ("black box"), which tracked his driving.

I'll mention that the incident in question involved a family member of Mr K's, but as he's the key point of contact in the case I'll refer to him throughout as though they were his actions.

The policy was arranged by another company I'll refer to as T. For the purposes of this decision, I'll refer to T's actions as being those of Accredited.

The system uses a black box, which takes its data from the vehicle's systems, and an app which gets its location from Global Positioning System (GPS) satellites.

Accredited contacted Mr K and told him the black box had monitored him driving at 62mph in a 20mph zone. Accredited said this wasn't acceptable under the terms of his policy. It said it would cancel his policy, or he could cancel it first.

Mr K complained to Accredited. He disputed the data and said the figures used by Accredited could only be inaccurate because the car could not have performed as it was suggested. Accredited looked into it, but said the data was high quality and that it thought the speeding had happened. It said it would proceed to cancel the policy unless Mr K cancelled it first.

Ultimately, Mr K decided to cancel the policy, so he did not have a policy being cancelled by his insurer on his record. He was charged fees for ending his policy early.

Accredited's final response to Mr K said it thought it acted fairly and in line with the policy terms. It was happy that the data was valid and its charges for cancelling his policy were fair and had been shown to him.

As Mr K remained unhappy, he brought his complaint to this service. Our investigator looked into it and thought it wouldn't be upheld. He was satisfied that Accredited had checked the data it provided to Mr K (and this service) and because Mr K drove outside of the terms of the policy, it was entitled to cancel.

Mr K didn't agree. He reiterated that he thinks the GPS system in the area is flawed, which means the data can't be relied upon. For example, he talks about cycle routes being haphazardly placed on sat-nav. And he continued to say that the car could not have performed as suggested in the space available on the road in question.

Because he didn't agree, this complaint has been 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.

I'm not upholding Mr K's complaint. I appreciate this will be disappointing for him and I'll explain why.

The terms of Accredited's policy say that it can cancel the policy mid-term:

"We can cancel your policy at any time but we have to give you five days' warning..."

We can do this for, but are not limited to, one of the following reasons:

- You don't meet the rules about having the [T] device and app, which you'll find in the Telematics terms and conditions section (for example, your mileage exceeding what you declared or you drive dangerously)."*

There's a further section in the policy wording explaining speeding:

"Excessive speeding

If you (or a named driver) persistently or excessively disobey the speed limit, we may cancel your policy. As a broad guide, excessive speeding means that if you were caught by a speed camera or the police, you'd receive a driving conviction or fine...

If you think we have an instance of excessive speeding wrong, we're very happy to review the data. If we find that we made a mistake, we'll remove the event from your policy."

I think the meaning of these policy conditions is clear and their use is fair.

The notice of cancellation was sent to Mr K just over one month from the policy inception, and it identifies a particular location as being where the alleged speeding happened.

I've looked at Mr K's concerns about the data Accredited used to determine his speed, and his reservations about the location it was said to have happened. At the centre of his concern is a comment he's made several times about the distance he travelled while monitored by the black box.

Mr K's key concern is that this overall distance measured by Accredited seems to be around 200m long, or less. He says his car could not have performed as Accredited said, accelerating from 20mph to a peak of 62mph in that distance. He's said he's walked the road and thinks the distance is actually nearer to 150m long, which would make the acceleration even less possible.

It seems to me that the core of Mr K's argument is that, because his car could not have carried out the acceleration in the distance, Accredited's data cannot be correct, and therefore the alleged speeding didn't happen. In turn, that would mean the cancellation wasn't valid.

T has examined the data and looked at the quality of data its app was receiving from GPS satellites and it's said the data was very reliable and of high quality. This service isn't an expert on GPS systems, but I'm able to see that the location in question is a straight road near a seafront, and there doesn't seem to be tall buildings or other objects that could block

signals.

I've also looked at the location data supplied by both T and Mr K, and I've used online measuring tools built into the mapping system used by both parties to examine distance talked about. I can see that the distance is as T (and therefore Accredited) has said, at around or slightly over 320m. Again, this service isn't an expert in this, but from the information I've been able to consider, I think it's likely that its measurement is correct.

Accredited has also said the data it used was obtained from the cars systems, and checked against GPS. When it analysed the data, it used both data sources to check them.

If I may, I'll also point out that the maps provided by Mr K show a distance of 0.2 miles – which is approximately 320 metres.

Having examined the evidence, I'm satisfied with Accredited's explanation about the source and quality of data and the distances used in its assessment of Mr K's driving. What this means is, I think it's most likely that he did do 62mph in a 20mph zone.

It follows that Accredited's decision to cancel his policy was reasonable in the circumstances.

I've read the evidence on file from T's head of data, and I think it's fair I say it accepted Mr K's challenge with respect, and investigated the situation in-depth to validate its decision.

I've also noted that Accredited has charged Mr K for the time he was on cover. It's added a £50 fee for him cancelling the policy, a £40 fee for the device itself and there's a set-up fee which is partially refunded on cancellation, of which Mr K paid £60.

I've looked at this and I think the fees are reasonable. I ask Accredited to show that Mr K had been made aware of them before he bought the policy, and it provided a screenshot of the appropriate part of the quotation process where Mr K was directed to view them and would have ticked a box to show he had done so. I can understand Mr K's concern about the charges, but Accredited gave him the opportunity to cancel his policy so that he wouldn't need to declare its cancellation to other insurers in the future and the fees were also clearly explained in the policy wording.

I do appreciate his frustration that he felt effectively trapped, but as I've said above I think Accredited's actions were fair as it cancelled the policy in line with the speeding event and gave him the chance to cancel without further consequence to his insurance history, albeit with a financial impact.

My final decision

For the reasons set out above, I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr A to accept or reject my decision before 7 November 2025.

Richard Sowden
Ombudsman