DRN-5753505

The complaint

Mr S complains that Haven Insurance Company Limited wrongly cancelled his 'black box' telematics motor insurance policy without notice. Mr S is represented by his father, Mr S2.

What happened

Mr S's policy started in January 2024. On 17 October 2024 Haven said it was cancelling the policy from midnight, due to a breach of the policy's terms and conditions. Mr S called Haven, and an advisor said it thought he'd tampered with the telematics device by removing it from the windscreen, which he denied. The advisor also said the car hadn't been moved for three consecutive weekends. Mr S explained he'd been away for two of them and was ill over the other weekend. When Mr S2 called Haven later, it told him it thought Mr S had used a jammer to block the GPS signal sent from the telematics device. Mr S2 told the advisor there wasn't a jammer in the car. He was advised that Mr S should make a complaint.

In reply to Mr S's complaint, Haven said the policy allowed it to cancel without notice if it suspected that a GPS blocker was being used. It emerged that the telematics firm that supplied the device and monitored its output ('firm T') had told Haven it thought a jammer had been put in place after 28 August 2024. It said firm T had confirmed that on reviewing the data it remained confident that was the case.

One of our Investigators dealt with Mr S's complaint. He noted that Haven had recorded the cancellation as done at Mr S's request, so it would have no ongoing effect on his future premiums. The Investigator said the policy gave Haven the right to cancel without notice if it suspected a GPS blocker was being used. Firm T had told Haven the telematics device was expected to connect with between five and 12 satellites on journeys. It did so until 27 August 2024, when the satellite connections dropped to zero. The Investigator said he couldn't say Haven had acted unfairly, based on the details it had. But he also said we could review the complaint should Mr S have the device checked and find it was faulty.

As there was no agreement, the complaint was passed to me for review. I issued a provisional decision upholding the complaint, as follows:

I can see why Mr S and Mr S2 are so upset by what has happened. Mr S had been driving with the device in place for over seven months before any discrepancy was noted. His overall driving score was 92%, which indicates that he must have been driving well for most of the time. So he had no obvious reason to want to block the signal, and every reason not to do that. He had acted responsibly by reporting an apparent fault with the device to Haven more than once, when he thought it had recorded the wrong speed limit. And Haven had queried with Mr S a period of two weeks when the car didn't move, which was due to Mr S being away on holiday. So the channels of communication between the parties were open.

As Mr S was easily contactable, he was shocked that Haven cancelled the policy in October 2024 without even telling him about the discrepancies that suddenly arose in August 2024 - and without trying to establish the underlying cause. The Haven advisor who spoke to Mr S2 after the notice of cancellation was issued said something in the car was affecting the signal *from the telematics device – intentionally or otherwise. Yet Haven had put no queries to Mr S before concluding that he'd tampered with the device or had had blocked the GPS signal - and telling him his details would be put on an insurance fraud register.*

Under the tampering / alterations section for a self-installed device (like the one Mr S had in his car) the version of the policy that applied from September 2023 says the following:

- *If during the monitoring of data, Haven finds unauthorised interference with the device or the GPS signal, it will be treated as fraud and the policy will be cancelled.*
- *If a fault is detected and is found not to be the result of unauthorised interference, the device will be replaced.*
- *If on inspection it's found that there has been unauthorised interference with the device or the GPS signal, that will be treated as a fraudulent act and the policy will be cancelled with immediate effect.*

Mr S wasn't told about the issue with the data being recorded until after the cancellation without notice, so he wasn't able to comment. There could have been a fault with the device – or as Haven's advisor later suggested, another device in the car could have interfered with the signal, unknown to Mr S.

When firm T told Haven it thought the data it was monitoring showed unauthorised interference with the device or the signal, I think it was for Haven to try to establish the cause of it, by speaking to Mr S or arranging an inspection. I don't think it was fair and reasonable for Haven not to explore the possible alternative explanations for what had happened. When we asked Haven why it didn't contact Mr S it said as the device was self-installed, a service call wasn't applicable. I don't think that's in line with the policy wording, and in my opinion, it isn't fair or reasonable not to contact a consumer in these circumstances. So I'm minded to uphold Mr S's complaint.

As Mr S had made a claim on his policy, he was required to pay the full premium for the year to Haven. But due to its actions, he had to take out alternative insurance as well. I'm minded to say that Haven should refund the cost of the new insurance, plus interest, from the date he bought it until the date Haven's policy would normally have expired (on 14 January 2025). I'm also minded to say that it should refund the cost of Mr S's (receipted) transport, from the date of the cancellation until the date he bought his new insurance. The delay in his doing that was because initially, he expected Haven to reinstate the policy once it understood the basis for his complaint. I think that was reasonable.

Mr S didn't lose out in terms of a no claims discount, as he'd made a claim on the policy and therefore wouldn't have been entitled to one. But I'm minded to say he should be compensated for the upset he faced because of Haven's cancellation. Apart from the inconvenience of being without his car, Mr S was told his name would be placed on a fraud register. That was upsetting for him and his family, when in their view he'd done nothing wrong - and Haven hadn't investigated the situation before making its decision. I'm minded to conclude that it would be fair and reasonable for Haven to pay him £350 compensation.

As this decision is provisional and is based purely on the details I've seen so far, it may change depending on any further representations submitted by the parties.

I asked the parties to comment on my provisional findings. Mr S accepted them, but Haven didn't respond.

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.

Mr S accepted my provisional findings, and as Haven didn’t comment, there’s no reason to depart from them. So, for the reasons stated above, I’m upholding Mr S’s complaint.

My final decision

My final decision is that I uphold this complaint. I require Haven Insurance Company Limited to do the following:

- Refund the cost of Mr S’s replacement insurance policy, from the date of its purchase to 14 January 2025, plus interest, at the simple yearly rate of 8%.

- Refund Mr S’s receipted transport costs, from the date of each trip after the cancellation to the date he bought his replacement insurance policy, plus interest, at the simple yearly rate of 8%.

- Pay Mr S £350 for distress and inconvenience.

Under the rules of the Financial Ombudsman Service, I’m required to ask Mr S to accept or reject my decision before 16 September 2025.
Susan Ewins
Ombudsman