

## **The complaint**

Mrs S has complained that Advantage Insurance Company Limited unfairly cancelled her car insurance policy.

All reference to the insurer Advantage in my decision includes its agent.

## **What happened**

Mrs S bought a telematics box car insurance policy with Advantage to start on 1 February 2025.

A condition of the policy was for Mrs S to pair the telematics tab with an online app as soon as it arrived. If Mrs S hadn't received the tab within seven days, Advantage said Mrs S should contact it to prevent her policy from being cancelled.

Advantage contacted Mrs S on 3 February 2025, 7 February 2025, and 11 February 2025 asking her to pair the telematics tab with their app. Advantage contacted Mrs S by letter, email, and text on these dates. In its letter dated 7 February 2025, it said it would cancel her policy on 14 February 2025 if she hadn't paired the tab with their app by then.

At around 11.40pm on 13 February 2025 Mrs S emailed Advantage and said it was threatening to cancel her policy, but she hadn't received the tab. However, Mrs S didn't provide her policy number or full car registration within the email – so on 14 February 2025 Advantage replied and said it needed more information. As Advantage didn't receive a reply from Mrs S by 14 February 2025 it cancelled her policy.

Mrs S complained to Advantage. She didn't think it had fairly notified her. She said she didn't receive the tab. She didn't think the cancellation refund she'd received was correct.

Advantage said it had correctly cancelled Mrs S's policy as it had given sufficient notice. On 22 February 2025 Advantage said it had incorrectly told Ms S about its retention fee on cancellation. So for the error, it refunded £40 in addition to a pro rata refund on 14 February 2025. This represented its non-refundable fees for arranging the policy and providing the telematics tab.

One of our Investigators didn't recommend the complaint should be upheld. Mrs S didn't agree and wants an ombudsman 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.

Mrs S says that she didn't receive the telematics tab. Sometimes post can get lost. However, I think Advantage was clear in its letter to Mrs S dated 1 February 2025 that she needed to let it know by 7 February 2025 if she hadn't received it. I can't see any evidence of Mrs S

attempting to contact Advantage until 40 minutes before her policy was due to cancel, on 13 February 2025.

I've looked at the query Mrs S sent on 13 February 2025. The form she submitted asked her to provide her policy number and car registration details. Mrs S provided part of her registration details and didn't provide her policy number.

Mrs S says Advantage should have been able to deal with her query as the email address matched its records. But it isn't unusual or unreasonable for an insurer to ask for additional verification information to ensure it is dealing with its customer. I can see that Advantage replied to Mrs S's email the following morning and asked Mrs S to provide her policy number and car registration details.

Mrs S says she was only given three days' notice of cancellation and there was no cancellation date given. Mrs S is referring to a letter from Advantage dated 11 February 2025. However, this was a reminder following its letter dated 7 February 2025. This was sent by email and letter and read;

*"We've noticed you haven't downloaded the app and paired it to your tab yet. You need to do this now, as this is how you share your driving data. We gave you a better price for sharing your driving style with us, so if you don't set up your app and tab before 14th February 2025, your policy will be cancelled."*

So I'm satisfied that Advantage gave Mrs S seven days' notice of cancellation in line with the policy. And I'm satisfied that Advantage cancelled Mrs S's policy fairly and in line with its process which it set out under the policy booklet.

Advantage provided a pro-rata refund which is broken down as follows:

£644.14 Total premium paid on 1 February 2025.

£ 20.53 Premium for days insured up to 14 February 2025.

£ 0.98 premium pro rata for days insured for an ancillary product.

£582.63 refunded to Mrs S.

On 22 February 2025 Mrs S queried the refund, and Advantage says an agent provided incorrect information. So Advantage provided a further refund to Mrs S for £40. This is made up of its arrangement fee of £20 and the buying of the telematics tab of £20. Both fees were set out as non-refundable fees on cancellation when Advantage sent Mrs S her policy documents on 1 February 2025.

So, taking everything into account, I think Advantage acted reasonably. This means I'm not asking it to do any more.

### **My final decision**

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

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

Geraldine Newbold  
**Ombudsman**