

The complaint

Miss W has complained that Advantage Insurance Company Limited treated her unfairly by cancelling her car insurance policy.

Miss W is represented by Mr W.

Any reference to Advantage includes its agents.

What happened

Miss W's policy required her to have a telematics device in her car and use an app. Advantage tracked her driving and provided her with a daily score on the app. The terms of the policy said her policy may be cancelled if she went below the minimum score or had more than one excessive speeding event.

Miss W's score went below the minimum and Advantage wrote to her and said it was going to cancel her policy. It then did this without giving Miss W the chance to improve her driving score.

Mr W complained to Advantage on behalf of Miss W. But Advantage wouldn't alter its position. So, Mr W asked us to consider Miss W's complaint. One of our investigators did this. She said initially that it should be upheld. But then when Advantage pointed out that Miss W had had more than one excessive speeding event she said Advantage's decision to cancel the policy was reasonable. Mr W provided evidence to show that two of the speeding events were on a road where the speed limit signs did not match the speed limit on Advantage's system. Our investigator sent this evidence to Advantage for comment, but it didn't respond.

As Advantage didn't respond and Mr W didn't agree with the investigator's second assessment the complaint was passed to me. I wrote to Advantage explaining why I was likely to uphold the complaint and provided it with the opportunity to provide further comments.

Advantage has responded to say it wants to share information with me which should not be shared with Mr W. However, Advantage should understand that it is for me to decide what information I think needs to be shared with Mr W under the principles of natural justice. Although, I would not share anything that I consider to be commercially sensitive.

Advantage has said that it is impossible for it to say for sure whether, without the speeding events on the abovementioned road without the correct signs, Miss W's policy would have ended up being cancelled, but that her score was still very low compared to most of their customers using the same app. And that they have a process in place where customers can dispute their score through the app at any time. And Miss W could have disputed the speeding events on the road without the correct signs at the time they came up if she'd wanted to. Advantage has also said that if she had done this it would have considered removing them, but if other events were present in the same trip it would have remained in the score.

Advantage has also pointed out that there are a number of hidden trips, which represented a significant risk factor, as their recorded drives don't represent an accurate driving score. And that as an insurer it reserves the right to remove risky drivers and behaviours from its insurance book. And that cancellation decisions are not simply based on speeding, but this is part of the score consideration.

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.

Having done so, I've decided to uphold Miss W's complaint for the following reasons.

- I've looked at the trip data provided by Advantage and the evidence provided by Mr W. And it seems from this that one of the speeding events that led to Miss W's policy being cancelled was on a road without the correct speed limit signs. So, I do not consider it would be fair for this to be counted against her score. As her score was only just below the minimum when the decision to cancel the policy was made, I think it is most likely it would not have gone below the minimum if this event hadn't counted. I have noted Advantage's comments on this, but – I am satisfied that in view of the fact her score was only just below the minimum acceptable to Advantage, that on the balance of probabilities, if it had been removed, Miss W's score would not have gone below the minimum acceptable. I think it is also of note that an emergency stop and a blowout recorded as harsh braking also shouldn't have counted, which would also have increased the score, even if only marginally.
- I do also appreciate that it may be that Advantage wasn't aware of the fact the signs on the road in question don't match the speed limit, but this doesn't alter the fact that it was this error that led to Miss W's policy being cancelled. And I think if Advantage had given Miss W more time and investigated the speeding events that contributed to her low score more carefully, it could have worked this out.
- As I understand it from speaking with Mr W, Miss W did not receive a notification in her app about any excessive speeding events. So Miss W wasn't given the opportunity to dispute these at the time the events were recorded.
- Advantage did not give Miss W sufficient warning that it intended to cancel her policy and give her the chance to correct her driving behaviour. This is despite, in my opinion, giving the impression in the information it provided when she took out the policy that it would give her plenty of notice if it was thinking of cancelling the policy due to a low driving score. I acknowledge that Miss W had the opportunity to see her score in the app and dispute it. But I think she was under the impression that she'd receive some sort of warning that she needed to improve her score. Whereas the first communication she got was an email saying her policy would be cancelled.
- I have noted Advantage's point that Miss W had other excessive speeding events, but the information provided to Miss W says her policy may be cancelled if she drove more than 30mph over the speed limit more than once. But Advantage hasn't shown that she did this.
- This is not to say that – as an organisation – we endorse breaking the speed limit. In fact, if the policy information was different and didn't refer to excessive speeding being more than 30mph over the speed limit, I may well have concluded Advantage was entitled to cancel Miss W's policy for excessive speeding. I say this as it seems there were occasions where she broke the speed limit by around 20mph. But the

point is Advantage needed to provide clear, fair and not misleading information to Miss W. And I consider its reference to the policy being cancelled if the policyholder drives at 30mph over the speed limit is misleading if – as it seems – Advantage thinks breaking the speed limit by less than this amount is excessive speeding.

- I appreciate that Advantage thinks it has the right to remove risky drivers from its insurance book. But to treat its customers fairly and communicate in a clear fair and not misleading way it needed to make it clearer what it considers a risky driver to be. Rather than setting a minimum score and what it considers to be speeding and then seeking to rely on slower speeds and other factors it has not clearly set out.
- I have noted what Advantage has said about 'hidden' trips, but I do not think that it would be fair for these to be a consideration, as presumably they occur because of issues with the app and GPS problems. And neither of these things are the customer's fault.
- Miss W has now had to take out a new policy for her new car and she had to declare she had a policy cancelled when she did so. So, I consider Advantage needs to compensate her for the extra this policy cost, because she only had to declare she'd had a policy cancelled due to failings by Advantage.

Putting things right

For the reasons set out above, I've decided to uphold Miss W's complaint and require Advantage to do the following:

- Calculate the pro rata time on risk charge for Miss W's time on cover and refund anything she has paid above this, including any fees she paid on cancellation or at the outset.
- Pay Miss W £300 in compensation for distress and inconvenience.
- Remove the record of the policy being cancelled from its system or note it to say the policy should not have been cancelled.
- Provide Miss W with an email saying the policy was cancelled by Advantage due to an error and that she doesn't need to declare it to other insurers.
- If Miss W cancels her current policy and then takes out a new one without declaring that she has had a policy cancelled, Advantage must pay her the difference between what the cost of this policy for the period she was on cover and what her new policy *would* have cost for the same period. It can do this by working out pro rata what the new policy would have cost for the same period as the cancelled policy if Miss W had taken it out instead of the policy she took out on which she declared she'd had a policy cancelled. And then refunding the difference between this and what she paid under the policy she cancelled for the period she was on cover. Advantage must also cover any cancellation fee for the policy she cancels.

My final decision

I uphold Miss W's complaint about Advantage Insurance Company Limited and require it to do what I've set out above in the 'Putting things right' section.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss W to accept or reject my decision before 11 January 2026.

Robert Short
Ombudsman