

The complaint

Mr F has complained about Advantage Insurance Company Limited. He isn't happy that it made an error in relation to a claim under his motor insurance policy which affected his no claims discount (NCD).

For ease any reference to Advantage includes its agents.

What happened

Mr F had insurance with Advantage a few years ago and it subsequently transpired Advantage had made an error by marking a claim incorrectly against his policy that affected his no claims discount (NCD). When Advantage made Mr F aware of this he thought this had most likely impacted his subsequent premiums and the available policies, so he complained to Advantage.

Advantage acknowledged it had made an error which it notified Mr F about and provided him with an updated NCD. It also apologised and offered £150 by way of compensation. But Mr F remained unhappy, so he complained to this Service.

Our investigator looked into things for him but didn't uphold his complaint. Although it was clear that Advantage had made an error she thought it had taken reasonable steps to put things right and offering £150 compensation for the error.

As Mr F didn't agree the matter has been passed to me for review.

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 can understand Mr F's frustration here as Advantage clearly made an error in how it marked an incident against him which impacted his NCD. However, I agree that although Advantage clearly made an error here, it has taken reasonable steps to put things right. I'll explain why.

Once Advantage realised its error it apologised to Mr F and has provided £150 by way of compensation. And it has provided an updated NCD confirmation to Mr F which he can use to approach his subsequent insurers to ask them to re-rate his policy.

I know Mr F questions whether he can do this, but I think this should be the first step. Mr F can approach his subsequent insurers and ask them to re-rate his policy now so that he only pays a fair amount in line with the risk. However, I must highlight that Advantage isn't responsible for the amount other insurers charge and all insurers have differing approaches to how they consider risk. But I would expect them to ensure they considered Mr F's true risk when he took out insurance with them and apply any NCD. If Mr F requires any further documentation or detail from Advantage in support of this then I would expect it to supply further supporting documentation. I note Mr F has highlighted premiums he has been

charged in other countries in recent times which he feels are high. However, I must highlight that additional factors will come into play in looking to insure him in that particular country which may well impact the cost of his premiums.

Finally, I understand Mr F feels his insurer options have been limited because of Advantage's error and highlights that it wouldn't provide cover at the time of renewal a few years ago. But I haven't seen anything to support his position and I note Mr F had moved address amongst other things and there can be a number of factors that affect risk, and in turn premium. As our investigator highlighted insurers consider a whole range of risk factors when determining premiums (such as postcode, age, claims etc). And they rate risk and use data differently in deciding premiums. However, if Mr F has any further evidence in support of his position then I would expect Advantage to consider this.

My final decision

It follows, for the reasons given above, that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr F to accept or reject my decision before 6 February 2024.

Colin Keegan
Ombudsman