

The complaint

Mr G and Mrs T complain about Advantage Insurance Company Limited (“AIC”) and the refusal to provide cover for Mrs T to drive in France, under the motor insurance policy they held.

Mr G, the policy holder, has acted as the main representative during the complaint process. So, for ease of reference, I will refer to any actions taken, or comments made, by either Mr G or Mrs T as “Mr G” throughout the decision.

What happened

Mr G took out a motor insurance policy, underwritten by AIC. Mrs T was included as a named driver on the policy, under the provisional UK license she held. Mrs T did hold a full US driving license but, as Mrs T had been in the UK for more than a year, she was unable to drive under this license as stipulated under the Road Traffic Act, 1988.

In the Spring of 2023, Mr G contacted AIC to confirm whether Mrs T would be covered to drive under the insurance policy in France, as they were planning to travel there later in the summer. AIC confirmed Mrs T wouldn’t be permitted to drive in France under her UK provisional license, as per France’s own laws. So, they confirmed Mrs T wouldn’t be insured to drive in France under the insurance policy they provided. Mr G was unhappy about this, so he raised a complaint.

Mr G thought AIC’s decision was unfair, as Mrs T held a full US license that she was able to use to drive in France. So, he thought AIC should cover Mrs T to drive in France on this basis and he wanted AIC to agree to provide this level of cover.

AIC responded to the complaint and didn’t uphold it. They explained the insurance policy provided Mr G and Mrs T with the same level of cover abroad, as it does in the UK. And as the policy only insured Mrs T to drive under her provisional UK license, this was the only license Mrs T would be insured to use. So, they didn’t think they had done anything wrong when advising Mrs T wouldn’t be insured to drive using her US license, which wasn’t valid in the UK. And so, they didn’t think they needed to do anything more. Mr G remained unhappy with this response, so he referred his complaint to us.

Our investigator looked into the complaint and didn’t uphold it. They thought AIC had acted fairly, and in line with the terms of the policy, when explaining Mrs T would only be insured to drive using her provisional UK license. So, they didn’t think AIC had done anything wrong when refusing to cover Mrs T if she drove using her US license. And because of this, they didn’t think AIC needed to do anything more.

Mr G didn’t agree. And he provided extensive comments explaining why. These included, and are not limited to, his belief the policy terms and conditions were vague and because of this, benefit of doubt should be given to him and Mrs T. He also didn’t think AIC made it clear that, when they discussed a full license within the policy, this referred only to a full UK license. And he maintained his belief that, as Mrs T would be driving legally in France under her full US license, AIC should compromise and agree to offer cover, considering his

disabilities and his inability to drive long distances. As Mr G didn't agree, the complaint has been passed to me for a 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.

Having done so, I'm not upholding the complaint for broadly the same reasons as the investigator. I've focused my comments on what I think is relevant. If I haven't commented on any specific point, it's because I don't believe it's affected what I think is the right outcome.

First, I want to recognise the impact this complaint has had on Mr G. I don't dispute the fact Mrs T holds a full US driving license. And that she would be legally able to drive in France, using this license. So, I do understand why, as Mr G's insurance policy covers him to drive abroad and Mrs T is a named driver on this, Mr G would feel it is fair for AIC to cover Mrs T to drive on this basis. And, when AIC confirmed this wasn't the case, I can appreciate why Mr G may feel as though AIC's decision was unreasonable.

But for me to say AIC should do something more, such as agree to provide additional cover for Mrs T to drive in France, I first need to be satisfied AIC have done something wrong. So, I'd need to be satisfied they've failed to act in line with the policy terms and conditions when refusing to cover Mrs T to drive in France. Or, if I think they did act within these, I'd need to be satisfied that AIC acted unfairly in some other way. And in this situation, I don't think that's the case.

Before I explain why I've reached this decision, I think it would be useful for me to set out what I've been able to consider, and how. It is not my role, or the role of our service, to make legal determinations, as we are an alternative to the courts, rather than the court itself. So, while we can take into consideration any relevant law, we are unable to make a finding on whether any laws have been breached or broken. Instead, it is my role to think about the actions AIC have taken and decide whether I think they were fair and reasonable, in the individual circumstances of the complaint.

I've seen the schedule of the policy Mr G held, which confirms Mrs T was included as a named driver and insured to drive under the provisional UK license she held. This is because legally Mrs T is unable to drive under her full US license in the UK, due to the length of time she's resided here. So, I'm satisfied that the within the UK, AIC insured Mrs T to drive under her provisional license only.

And I've seen within this schedule, under the policy features and benefits section, it explains that *"when driving abroad, the same level of cover as you have in the UK applies for up to 90 consecutive days in the EU"*. I've seen that this term is reiterated in the Insurance Product Information document, and in the policy terms and conditions where it explains under the heading *"Full policy cover abroad"* that *"This policy also includes the cover described in your schedule of insurance and Certificate of motor insurance for each trip up to 90 consecutive days"*.

So, I'm satisfied the policy documents make it reasonably clear that Mr G and Mrs T would receive the same level of cover as they hold in the UK, for up to 90 days, in France. And I think it's clear Mrs T was only insured to drive on her provisional UK license. So, I think AIC were only obliged to provide cover for Mrs T to drive on this license when she was in France, and I think they acted in line with the policy when making this clear to Mr G.

I recognise this had an impact on Mr G and Mrs T, as France doesn't permit drivers to drive on a foreign provisional license. But this is a decision made by the relevant law makers in France, and not AIC. So, I don't think AIC are responsible for this, nor would I expect them to make changes to their terms of cover to reflect this.

And while I appreciate Mrs T does have a US license which she can use to drive in France legally, I don't think the legality of this license in France impacts the insurance policy Mr G and Mrs T hold with AIC, which is a UK insurance policy. And as I've already explained, I think this policy makes it reasonably clear Mrs T is insured to drive on her UK provisional insurance only. Should Mrs T wish to drive using her US license in France, she has the ability to purchase alternative insurance that will provide her with cover while she does so.

So, because of the above, I think AIC have acted fairly, and in line with the policy terms and conditions. And so, it follows that I don't think they need to do anything more on this occasion.

I understand this isn't the outcome Mr G was hoping for. And I want to reassure Mr G I've considered all the comments he's put forward when reaching my decision. But, as I've explained above, I do think the policy terms were reasonably clear. And I think it's reasonable for AIC to assume any reference to a full license within the policy would be taken as reference to a UK license, as the policy is designed to insure a car to be driven primarily in the UK.

I also wouldn't expect AIC to alter the terms of the cover to allow Mrs T to drive in France using her US license, as this would be altering the risk they agreed to take on at the inception of the policy. And it is within AIC's own commercial decision making to decide the level of risk they are willing to take, which wouldn't be something our service is able to comment on or impact, as this falls under the remit of the industry regulator.

While I don't doubt the impact this has likely had on Mr G, considering his disability and the fact he can't drive long distances and the drive to France would be a considerable distance, I also must consider the fact Mr G had the option of purchasing alternative insurance to allow Mrs T to drive on her US license. And I'm satisfied Mr G was aware of this option, as he referred to the financial implication of this in the complaint form he sent to our service. So, I don't think AIC can be responsible for any upset caused to Mr G, if he has indeed decided to cancel his trip.

My final decision

For the reasons outlined above, I don't uphold Mr G's complaint about Advantage Insurance Company Limited

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr G and Mrs T to accept or reject my decision before 7 September 2023.

Josh Haskey
Ombudsman