

## The complaint

Mr H complains Advantage Insurance Company Limited (Advantage) unfairly amended details about a named driver on his motor insurance policy and this unfairly increased the cost of his premiums.

There are several parties and representatives of Advantage involved throughout the complaint but for the purposes of this complaint I'm only going to refer to Advantage.

## What happened

Mr H bought a motor insurance policy through a price comparison website in September 2021. The policy included a named driver.

When entering his named driver's occupation he selected that they were retired. He felt this best described their status.

Towards the end of September 2021 when Advantage conducted checks of the details included in the application, it contacted Mr H by email to check his named driver's occupation was recorded correctly.

Mr H responded to say they were not employed or self-employed.

After a discussion between Mr H and an agent from Advantage, it said the named driver's occupation was best described as "*independent means*" and not *retired* as Mr H had selected.

Advantage amended this information and emailed Mr H a new quote which increased the premiums of his policy by £23.53. Plus an administration fee of £30. It gave a deadline of 11 October 2021 to discuss this, but Mr H didn't make contact. Advantage therefore amended his policy and charged the additional amount of £53.23.

Mr H said he did not agree to pay this as he felt he had provided the correct information.

As Mr H was not happy with Advantage, he brought the complaint to our service.

Our investigator partially upheld the complaint. He looked into the case and said although he accepted Mr H had completed the occupation of his named driver as he thought was correct, it had not been unreasonable for Advantage to disagree with his choice. And it was fair to amend it to living off independent means. But he felt the £30 administration charge should be refunded.

As Mr H is unhappy with our investigator's view the complaint has been brought to me for a final decision to be made.

## 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.

Advantage's validation team checked with Mr H that the details of the named driver were correct because it could see he ran quotes prior to buying this specific policy, and he had used a different occupation for his named driver.

I think that Mr H selected *retired* in good faith as he felt this best described his named driver's occupation. But I think as he had used a different occupation in other quotes it shows he was not certain about which occupation to select.

Mr H makes the point that his named driver could be described as retired as they are not employed, or claiming benefits, or receiving a pension. Mr H said they support themselves in other ways from savings and inheritance. He said that the fact the named driver has private means makes no material difference to the information available to the insurance company to assess his application and believes there should be no requirement to amend the policy.

Advantage said Mr H's explanation meant it would categorise the named driver's occupation as *independent means* and it does not see this as *retired* if they are living off savings and inheritance.

I do understand that many people stop working before they reach retirement age, but after consideration of the options available to select for occupation in this case, I agree with Advantage that the most appropriate classification is *independent means*. And if Mr H wished for the named driver to stay on the policy this would need to be updated.

Mr H said there was no explanation of the occupation options available. However there were numerous occupation options to choose from and I don't think it is realistic for every single occupation scenario to be listed and a detailed explanation given.

Advantage ran a new quote with the change to the occupation of the named driver and this meant an increase in policy premiums. It sent this quote to Mr H and gave a deadline for response. It also detailed that it would take payment from the card it had on file. As it received no response it updated his policy and charged the additional amount.

Each insurer will take its own view on how to assess the risks and premium applicable. It will decide what factors to take in to account and how much weight to put on each of them. We are unable to tell an insurer how to do this. In this case Advantage provided me with details of the policy underwriting criteria and I am satisfied the price Mr H was quoted has been calculated correctly.

I think Mr H acted in good faith and selected what he thought was the best option for his named driver when obtaining the quote. I don't think it is fair to charge an Administration fee in this case.

Therefore, I partially uphold Mr H's complaint and I think Advantage should refund the £30 charge made, but not the additional premium charged.

### **My final decision**

For the reasons I have given I partially uphold this complaint.

I require Advantage Insurance Company Limited to pay Mr H a refund of the £30 administration fee

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr H to accept or

reject my decision before 10 August 2022.

Sally-Ann Harding  
**Ombudsman**