

## The complaint

Miss B complains Advantage Insurance Company Limited, trading as Hastings Direct, incorrectly told her reporting an incident as 'notification only' wouldn't impact her car insurance premium at renewal.

Miss B has been represented by Mr C. For ease, I'll refer to Miss B throughout this decision.

## What happened

In March 2022, Miss B told Advantage her car was damaged as someone had hit it when parked. She says this was on police advice. At that point, she didn't want to make a claim on the policy. Advantage said it'd record the incident on the insurance database - known as the Claims and Underwriting Exchange (CUE) - as 'notification only' and this wouldn't affect her premium going forward.

When the time came to renew her policy in February 2023, Miss B's quote had increased by just over £250 more than the year before. After contacting Advantage about this, it accepted she'd been given incorrect information by the call handler as 'notification only' records *can* affect premiums. To put things right, it gave feedback to the call handlers manager and gave Miss B £30 compensation for the incorrect advice. It also reviewed the renewal quote and was able to reduce it to just over £80 more than the year before.

Miss B was unhappy with this and brought her complaint to this service. She said some companies have refused to insure her and she can't afford the increased premium with Advantage. This means she's unable to make shopping trips or take her daughter to school. And, as Advantage accepted it got things wrong, she doesn't understand why it won't remove the notification marker.

While the complaint was with this service, Advantage investigated matters again and noticed the notification had been recorded as 'fault' and so this was corrected. It gave Miss B further compensation of £70 for the distress and inconvenience caused. Ultimately, by February 2023, the renewal quote was reduced to less than £20 more than it was the year before.

Miss B was unhappy with this and brought her complaint to this service. Our Investigator looked into matters and thought it fair and reasonable Advantage recorded the incident on CUE once it was made aware of it, which had affected Miss B's premium. So, they didn't uphold Miss B's complaint.

Miss B disagreed. She says Advantage should remove the notification only as it accepts it gave her the wrong information. Mr C says this has been done for him when something similar happened so it's possible for Advantage to do this. Miss B said this is impacting her health and will be taken to an external agency if the decision isn't changed.

This matter 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 must tell Miss B that I think the Investigator has reached a fair outcome here. So, I don't require Advantage to do anything further to put things right. I'll explain why.

After finding out the premium quoted had increased significantly since the previous year, I can see why Miss B would want to understand the reasons for this. After the complaint was made, Advantage realised it had got two things wrong. Firstly, the call handler incorrectly told Miss B a 'notification only' on CUE wouldn't affect her premium. Secondly, it recorded the notification as 'fault'.

When a business makes a mistake, as Advantage accepts it has done here, we expect it to restore the consumer's position, as far as it's able to do so. And we also consider the impact the mistake had on the consumer. So, I've looked at the effect the incorrect information had on Miss B's decision about the claim. Miss B says if she'd been told her premium would be affected by recording the incident as 'notification only', she wouldn't have agreed to it.

Like all car insurance policies on the market, the terms of Miss B's insurance policy required her to report any incident '*no matter how minor and regardless of blame and whether or not you want to make a claim.*' Having been required to report the incident, Advantage was then obliged to record this on CUE. So, even if Miss B had been given the correct information that a 'notification only' could impact her premium at renewal, she had already notified Advantage of the incident – as she was required to do – and Advantage had to record it on CUE. So, I can't say the incorrect information affected Miss B's position.

I recognise the incident status was incorrectly recorded as 'fault' and this was only changed after Miss B complained. I think Advantage should've updated this sooner than it did. But ultimately, Miss B's renewal premium was changed to reflect the updated status before policy renewal and I haven't seen any evidence she paid for a policy which – incorrectly – cost more as a result of this mistake.

In summary, Advantage corrected the 'notification only' status, which reduced the premium, apologised for its mistakes, paid Miss B £100 for the distress and inconvenience caused and gave feedback to the call handler. I think this was a fair and reasonable way to resolve this complaint in all the circumstances and so I don't require Advantage to do anything further.

Mr C says something similar happened to him and an incorrect claim was removed. But we look at the circumstances of each individual case. Having done so, I don't require Advantage to do anything more to put things right in this matter.

I know Miss B will be disappointed with this outcome. But my decision ends what we – in trying to resolve her dispute with Advantage – can do for her.

Finally, I note Miss B raised the issue of trying to obtain a quote from Advantage for a new car. It isn't something I can consider in this decision - Miss B will need to raise this with Advantage in the first instance.

## **My final decision**

My decision is Advantage Insurance Company Limited doesn't need to do anything more than it has already done to put things right.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss B to accept or reject my decision before 31 July 2023.

Rebecca Ellis  
**Ombudsman**