

## **The complaint**

Mr M has complained that Advantage Insurance Company Limited wrongly and unfairly recorded a claim against his motor policy for a car that he never bought.

## **What happened**

Mr M was intending to buy a car. So, he asked Advantage to set up the policy for it with cover starting on 9 February 2021. However, the sale of the car fell through, and Mr M never bought the car and was never recorded by the DVLA as being the registered keeper and owner of this car.

Unfortunately, Mr M couldn't find the right number to phone Advantage and cancel this policy until he received his policy documents by post which wasn't until 18 February 2021. However, by this stage this car had been in an accident and since Advantage were insuring this car, it had to respond to any claims from any third parties to the accident under the Road Traffic legislation.

Advantage therefore detailed on the Claims and Underwriting Exchange (CUE) that Mr M was the policyholder but crucially that he wasn't the driver in this accident and wasn't responsible for causing this accident.

However, Mr M says he is now having difficulty in getting affordable motor insurance as a result. So, he brought his complaint to us.

The investigator didn't think it should be upheld. Mr M disagreed so his complaint has been passed to me to decide.

## **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 this complaint and I'll now explain why.

I understand and appreciate that Mr M will be most disappointed with my decision. However, I'm not that sure that what has happened here, is properly affecting Mr M obtaining affordable insurance going forward either. I will explain that below.

From the legal point of view as this car was actively being insured by Advantage when it was involved in an accident, it has to deal with any claims against the driver of the car given the relevant legislation namely the Road Traffic Act 1988. Therefore, it's also right it registered this on CUE. I consider that since the notification on CUE explains that Mr M wasn't the driver at the time of the accident and wasn't responsible for causing this accident, Advantage hasn't done anything wrong. On this basis the likelihood of this incident actually having any effect on Mr M's ability to get motor insurance is quite remote.

In this decision I can only assess what if anything Advantage did wrong. I can't assess what any other motor insurer might have done with Mr M's application for a motor policy. Advantage has shown me that it has described things as best as it could on CUE so as to ensure this event doesn't have any impact on Mr M's future applications for insurance. Indeed, given Mr M's complete lack of involvement in this accident I would query if he needed to disclose it on any other application for a motor policy. I consider given the information Advantage has put on CUE, there's nothing to show me that this information would have the effect that Mr M thinks it has.

Therefore, the fact that Mr M had difficulty in cancelling this policy is most likely not as big an issue as Mr M believes. Yes, a policy in his name has a claim against it but it's clear from the information on CUE that Mr M is noted as not being the driver and also, it's noted that he didn't cause the accident. Policies are generally rated initially on what the applicant discloses on their application form, rather than what might be recorded on CUE. And given what is recorded on CUE for Mr M here, that can't have much effect at all on the matter.

So as this decision isn't concerned with what Mr M might have disclosed on his applications to other insurers or indeed how they decided to price his premium, I can't consider any of that here as this decision only concerns what if anything Advantage has done wrong. Mr M would have to make a complaint to those other insurers first and if necessary, bring those complaints to us. Certainly, motor insurance premiums have increased over the past couple of years for everyone which might have a bearing on the matter from Mr M's perspective.

So, although I appreciate and understand Mr M is having difficulty in finding an affordable motor policy, I don't consider what happened here with Advantage has impacted that detrimentally for Mr M.

### **My final decision**

So, for these reasons, it's my final decision that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr M to accept or reject my decision before 29 March 2024.

Rona Doyle  
**Ombudsman**