

The complaint

Mr B has complained that Advantage Insurance Company Limited denied he had obtained one multi-car quote in January 2023. And then in the subsequent quote his No Claims Discount (NCD) wasn't applied fully to one of his cars on the multi-car policy.

What happened

Mr B brought a previous complaint to this service concerning the lack of the NCD being applied which was settled at the investigator's view stage, with a premium refund of £58.96 plus interest and £50 compensation. Plus, most importantly that the NCD would be applied to the upcoming renewal quote.

In this complaint Mr B is complaining that the NCD wasn't added properly on his renewal invitation in January 2023. Given the proximity to his first complaint and the potential for having two bites of the one cherry, Advantage didn't provide a final response to Mr B for this complaint.

Mr B said he got a quote in January 2023 which included both cars and the premium would cost £335.45. However, Advantage denied it sent him this. The next quote for both cars didn't apply the relevant NCD to one of his two cars. When Mr B complained Advantage provided another quote which Mr B didn't think included the full percentage NCD of 28% that he was expecting. He referenced a table concerning how the NCD should operate from 2021.

On that basis Mr B brought his complaint to us. The investigator thought Mr B's complaint should be partially upheld as the right NCD was eventually included but it couldn't be at the precise percentage Mr B believed he was entitled to. And ultimately, she felt Advantage should pay Mr B a total of £100 compensation bearing in mind the confusion. She also thought Advantage should apologise to Mr B.

Advantage had some queries in relation to which compensation related to which complaint, which the investigator clarified. However, it didn't communicate thereafter whether it agreed with the investigator's ultimate recommendation. Mr B said he didn't have anything to add. So, on that basis Mr B's 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 partially upholding this complaint along the same lines as the investigator. I'll now explain why.

Also given the proximity of both complaints I don't think anyone here is at fault for the varying confusions along the way. That's not to say Mr B's complaint isn't valid, more it's just understandable how a lot of the confusion arose between which information pertained properly to which complaint. So, whilst I do conclude Advantage should have explained the position better to Mr B, it's also understandable why it thought Mr B was complaining again about the first complaint he had.

I consider it's more than likely the first quote Mr B got of £335.45 was in relation to his previous complaint and sorting that out as Advantage explained. Which is why it initially said it didn't send him this quote for the purpose of his renewal quote. The subsequent quotes he then received would make this initial quote redundant as the investigator concluded. The first of the subsequent quotes of £444.84 didn't include the NCD but the last one for £424.84 did include the NCD. There's no dispute about that. The issue remained was that Mr B didn't agree it had the correct reduction bearing in mind the details he received in 2021 or even 2022 about how NCD would work on a percentage basis, which in turn was further endorsed by how his first complaint was resolved.

I can understand and see why Mr B thought this, but unfortunately, I don't consider his expectations were correct. Like every insurer, Advantage is entitled to rate risks it's covering as it wants to, by the regulator, the Financial Conduct Authority, provided it treats everyone else the same. There is no evidence here that Mr B is being singled out and treated differently to anyone else either. These ratings on these risks can be changed by a myriad of issues which is all part of each insurer's commercial discretion. So, it doesn't follow that a NCD percentage of 28% explained by reference to a 2021 or even a 2022 document, is always going to be maintained as the correct percentage for the relevant NCD going forward.

Advantage did explain it's all done by averages which again are affected by the myriad of issues which might affect the base rate for the risk being assessed. So, it never turns out to be an absolute percentage in the manner Mr B believed which won't change year on year. On that basis I consider his NCD was correctly applied to the last quote being £424.84. I do however consider Mr B isn't at fault for not understanding all of this so there was an opportunity for Advantage to have explained this better to him. Rather than Mr B thinking he could only get clarity (which in fact happened) by bringing this second complaint to us. This did cause him some trouble and upset.

Therefore, I agree with the investigator some compensation is warranted here and I consider the sum she suggested of £100 compensation (given we've now ascertained Advantage hasn't paid anything to Mr B under this complaint) is appropriate. It's in line with our approach on these sorts of matters and so I consider it fair and reasonable.

My final decision

So, for these reasons, it's my final decision that I'm upholding this complaint for compensation only.

I now require Advantage Insurance Company Limited to pay Mr B £100 compensation.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr B to accept or reject my decision before 25 April 2024.

Rona Doyle

Ombudsman