

The complaint

Mrs and Mr W have complained that Royal & Sun Alliance Insurance Limited (RSA) didn't provide a No Claims Bonus (NCB) for both of them as main and named driver under Mrs W's car insurance policy.

What happened

Mrs W bought a car insurance policy with RSA in July 2022. Mr W was listed as a named driver.

The following year Mrs W asked RSA to provide proof of earned NCB for both Mrs W and Mr W.

RSA said it only provided proof of earned NCB for the main driver as the policyholder. Mrs W didn't agree this was fair, so she and Mr W raised a complaint. But RSA didn't uphold it.

Mr and Mrs W asked us to look at their complaint. Our Investigator explained that it is common industry practice for the policyholder only to earn any NCB, so most insurers do not offer this. She said it may be something some insurers offer as a discount or benefit, but not most insurers. As RSA's policy didn't say both the main driver and named driver would earn NCB, the Investigator didn't think RSA had acted unreasonably.

Mr and Mrs W didn't agree and want an ombudsman to decide. In summary they say it was an important clause to them and so believe it should have been highlighted by RSA if it didn't provide it for both listed drivers under their policy. They say RSA departed from the norm by not providing NCB to both drivers.

So the case 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.

Few insurers allow a named driver to earn NCB. This is usually an introductory offer aimed at new drivers to assist in building up their NCB, but tends to be on the condition that they become a policyholder with that insurer. Results following a general search online for this topic shows that it isn't something offered as standard in the motor industry

When Mrs W bought her policy with RSA, she bought it online unadvised. She explained that she they have previously bought their insurance policies through a broker – and it hasn't been unusual for both Mrs W and Mr W to earn NCB as main and named driver.

While this may have been the case, my decision is about whether RSA has acted reasonably in providing proof of earned NCB for only Mrs W. And I find that it has acted in

line with industry practice and the policy Mrs W bought. So I don't agree that RSA needed to explicitly highlight that it only provided earned NCB for Mrs W – as the policyholder.

Under the policy wording, RSA says any earned NCB cannot be transferred to anyone else. I understand Mrs W doesn't agree, but I don't think RSA has acted unreasonably in not providing Mr W with evidence of earned NCB as a named driver. So I'm not asking it to do any more.

My final decision

My final decision is that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs W and Mr W to accept or reject my decision before 8 May 2024.

Geraldine Newbold
Ombudsman