

The complaint

Mr R complains that Accredited Insurance (Europe) Ltd (“Accredited”) has refused to provide a quote for motor insurance for him without providing a reason.

What happened

Mr R tried to obtain a quote for car insurance over the phone. The request was declined based on the information he’d provided. When Mr R asked for a reason, this was refused.

Mr R asked to speak to a supervisor to try to ascertain the reason for the refusal and the supervisor also refused to provide a reason. So Mr R made a complaint. He said he felt that Accredited was withholding information and had discriminated against him.

In its response, Accredited’s agent said that all insurers have underwriting acceptance criteria that customers must meet before insurance is offered. They said this criteria can change from time to time which can impact whether a quote can be offered.

It went on to say that Mr R’s details didn’t fit its criteria but didn’t give a reason why. It reassured Mr R that he wouldn’t be recorded as having a policy declined and that it wouldn’t need to be disclosed to other insurers.

Mr R wasn’t happy with Accredited’s response, so he referred his complaint to this service. Our Investigator considered it but didn’t think it should be upheld. As Mr R didn’t agree with our Investigator’s view, the 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’ve decided not to uphold this complaint. I’ll explain why.

Firstly, I can appreciate why Mr R is unhappy about the refusal to provide him with a quote and the fact that no reason was given for this. I’ve looked carefully at insurer’s obligations in this regard and I’m afraid that Accredited hasn’t acted unfairly by not providing Mr R with a reason.

The reasons why insurance policies or quotes aren’t provided can be commercially sensitive. It’s up to each individual insurer to decide what level of risk they’re willing to take on, and if a potential customer doesn’t meet their criteria or risk appetite, they don’t have to provide a quote or provide cover. They also wouldn’t be obliged to give a reason due to the commercial sensitivity of their decision.

Having said this, I can see that Mr R is particularly concerned he’s been discriminated against because of his age. Whilst I can’t confirm the specific reason he was refused a quote, I can say more generally that it isn’t unreasonable for insurers to consider the risk to be greater when taking on customers above or below certain ages.

I know Mr R feels that this isn't fair and that it's discriminatory. But this service cannot make a legal finding that the Equality Act 2010 has been breached. That's a matter for the Courts.

Our role is to decide what's fair and reasonable in all the circumstances of a case. In order to decide that, however, we have to take a number of things into account including relevant law and what we consider to have been good industry practice at the time. So although it's for the Courts to say whether or not Accredited has breached the Equality Act 2010, we're required to take the Equality Act 2010 into account, if it's relevant, amongst other things when deciding what is fair and reasonable in the circumstances of the complaint. That includes thinking about what a Court would likely decide if Mr R were to make a claim under the Equality Act 2010 – the relevant provisions of which I've set out below.

The Equality Act 2010 (Age Exceptions) Order 2012 says:

“20A.-(1) A person (A) does not contravene section 29, so far as relating to age discrimination, by doing anything in connection with the provision of a financial service”.

This means that, although generally speaking a financial services provider can't discriminate against a consumer because of a protected characteristic such as age, there are exceptions to this if certain conditions are met. I'm satisfied, from what I've seen, that Accredited hasn't treated Mr R unfairly by refusing to provide him with a quote for car insurance, and for refusing to give him a specific reason for this.

I'm sorry to disappoint Mr R, but for the reasons given I'm afraid I won't be upholding this complaint.

My final decision

My final decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr R to accept or reject my decision before 22 August 2024.

Ifrah Malik
Ombudsman