

The complaint

Mr M has complained that Advantage Insurance Company Limited didn't honour a quote it provided to him for a new car insurance policy.

Any reference to Advantage includes its agents.

What happened

Mr M obtained a quote via a comparison site for a car insurance policy with Advantage at £2,708.24 on 26 July 2024. When he went ahead with the policy on 28 July 2024, with it starting on 29 July 2024, the price had gone up to £2,936.33. Mr M felt Advantage should honour the quote it had provided, so he complained. Advantage told him the price had gone up because he'd changed the excess. Mr M hadn't changed the excess, so he asked us to consider his complaint.

One of our investigators considered the complaint. He explained that Advantage had said Mr M hadn't changed the excess and that it told him this was the reason the quote had changed by mistake. He further explained Advantage had said the reason for the change in price was that it provides prices in real-time and the price can be different when a customer decides to go ahead at some point after originally obtaining the quote. He said this was reasonable, as it was clearly explained that this can happen on the comparison site. In view of this, he didn't uphold Mr M's complaint.

Mr M isn't happy with the investigator's view and has asked for a decision. He thinks Advantage have lied to us to avoid paying a refund. As Mr M isn't happy with the investigator's view his complaint has been referred 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've decided not to uphold it. Many insurers price their policies in what is normally referred to as real-time. What this means is that the price at a point in time is not fixed and can change very quickly, sometimes the same day, sometimes the next day and sometimes in a few days' time. This is exactly what happened with Mr M's policy. The policy would have cost him £2,708.24 if he gone ahead with it on 26 July 2024 immediately after he obtained the quote. But when he went ahead on 28 July 2024 the price had gone up to £2,936.33. This had nothing to do with the excess changing and it is unfortunate Advantage misled Mr M by suggesting the price had gone up because of this. This was simply a case of a complaint handler making an error in providing the wrong information. And I'm satisfied the reason for the increase was real-time pricing and Advantage hasn't lied to us about this.

The comparison site made it clear that some of the quotes provided are 'real-time' and could change at any subsequent point if the customer doesn't buy right away. So I think it was made clear enough to Mr M that the price of his policy with Advantage could change if he didn't go ahead when he first obtained the quote.

In the circumstances, I do not consider Advantage did anything wrong in putting up the price when Mr M decided to go ahead with the policy. So it is not appropriate for me to uphold his complaint.

My final decision

For the reasons set out above, I don't uphold Mr M's complaint about Advantage Insurance Company Limited.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr M to accept or reject my decision before 19 January 2025.

Robert Short
Ombudsman