

## **The complaint**

Mr W has complained about Advantage Insurance Company Limited. He isn't happy that it cancelled his policy following a claim against his motor insurance policy.

## **What happened**

I looked at this case and provided my initial thoughts in my provisional decision as follows;

*Mr W left his car with his named driver to use, and they allowed an uninsured driver to use his car who was involved in an accident and left the scene. When Mr W reported the accident to Advantage it explained that it wouldn't meet the claim, would seek any costs back from Mr W and subsequently went on to cancel the policy as the named driver had allowed an uninsured driver to use the car.*

*Although Mr W accepted that the claim wouldn't be paid, he felt the cancellation of the policy was unfair, so he complained to Advantage and then this Service.*

*Our Investigator looked into things for Mr W but didn't uphold his complaint. She explained that as the car was being driven by 'someone not shown on your certificate of motor insurance' the policy didn't provide cover. And as this person was allowed to drive by a named driver on the policy and Mr W wouldn't support a prosecution of the driver, she didn't think it had acted unfairly in cancelling the policy and retaining the premium.*

*As Mr W didn't agree, saying that he accepted that the claim wouldn't be met but felt it was harsh that he had a cancellation marked against him as he hadn't done anything wrong, the matter has been passed to me for review.*

## **What I've provisionally 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 can understand why Advantage has taken the steps it has taken in not paying the claim and cancelling the policy as it doesn't want to accept the risk posed here as Mr W's named driver allowed his car to be driven uninsured. But I think this complaint should be partly upheld, I'll explain why.*

*As Mr W now accepts that he is responsible for any costs incurred from the claim and that Advantage didn't act unreasonably in cancelling his policy given what happened, I don't propose to go over this again in any detail. The policy clearly outlines it 'will not provide cover for any injury, loss, damage or liability that is incurred by any person using your car while your car is being: Driven by, or in the charge of, someone not shown on your certificate of motor insurance' so I think Advantage hasn't acted unreasonably here.*

*Turning to the cancellation of the policy Mr W accepts that the cancellation alongside the decline of the claim is fair. But he feels it is unfair that he has a cancellation marker placed against his name as this will have an ongoing impact on his ability to get insurance and the cost. He feels this is unfair as he hasn't done anything wrong and didn't allow the uninsured driver to take his car.*

*Given what happened and the fact that Mr W didn't do anything wrong here, although his named driver did, it feels like the fair and reasonable thing to do is to remove the*

*cancellation marker from any internal or external systems and provide Mr W with a letter explaining this. I say this as I think Advantage should have said to Mr W that it didn't want to insure him now given what had happened and asked him if he wanted to cancel his insurance policy as opposed to forcing cancellation.*

## **Replies**

Advantage didn't respond to my provisional decision while Mr W responded to say that all he wanted was the cancellation marker removed from his record so he was happy to receive a letter confirming this.

## **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 remain of the view that the complaint should be upheld. And as both sides haven't provided any additional representations, I don't propose to comment any further and see no reason to change my position.

As such, I remain of the view that the fair and reasonable thing to do in the particular circumstances of this case is for Advantage to remove the cancellation marker from any internal or external systems or databases and provide Mr W with a letter explaining this. I say this as Mr W didn't do anything wrong here, although his named driver did, so it should have allowed Mr W to cancel the policy in the first instance as opposed to forcing the cancellation.

## **My final decision**

It follows, for the reasons given above, that I'm upholding this complaint. I require Advantage Insurance Company Limited to remove any cancellation marker from any internal or external systems or databases and provide Mr W with a letter of explanation.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr W to accept or reject my decision before 31 March 2025.

Colin Keegan  
**Ombudsman**