

The complaint

Mrs G complains about Advantage Insurance Company Limited (Advantage) decision to cancel her motor insurance policy after her named driver was involved in a road traffic accident and was subsequently breathalysed and found to be over the prescribed legal alcohol limit.

References to Advantage include its agents.

What happened

Mrs G had a comprehensive motor insurance policy underwritten by Advantage. She was contacted by Advantage after her daughter – a named driver on the policy – whom I shall call L was involved in an accident in April 2024.

L had been driving Mrs G's vehicle when it was involved in an accident. Mrs G said the Police attended the scene and L was breathalysed. When asked by Advantage, Mrs G said L blew 124mg at the roadside. Mrs G said L had been charged by the Police with driving under the influence of alcohol. Mrs G said a Court date had been set for April 2024 and L would be pleading guilty.

Advantage declined the claim and cancelled the policy, given L was driving whilst under the influence of alcohol, in breach of the policy terms. A cancellation letter was sent to Mrs G in April 2024.

Mrs G said she felt it was unfair her policy had been cancelled as there were only a few weeks left before her policy came to a natural end. So, she said she couldn't understand why the policy couldn't have continued in her name only for this short period. The policy being cancelled she says has had a detrimental effect as she is required to declare this when obtaining new insurance. Mrs G therefore raised a complaint to Advantage.

Advantage didn't uphold Mrs G's complaint, so she brought her complaint to this Service.

When coming to this Service, Mrs G has also raised she was unhappy with the customer service received from Advantage's advisors and had initially been given incorrect information regarding who would be responsible for paying the third-party's claim.

I issued a provisional decision explaining why I didn't plan to uphold Mrs G's complaint. I said:

As Mrs G has raised several points, I intend to deal with each in turn.

Cancellation of Policy

Advantage set out within its policy booklet the exclusions and limitations under the policy. Under the policy, no cover would be provided where either Mrs G or anyone entitled to drive under the certificate of motor insurance had been found to be over the prescribed limit for alcohol. Mrs G said L was over the prescribed legal alcohol

limit at the time of the accident. Advantage was therefore entitled to rely upon its policy terms which excluded cover being provided in such circumstances.

Within the policy terms Advantage also had a right to cancel Mrs G's policy based on certain permitted reasons. One of those reasons was "... Your insurer is prevented from providing cover under this policy by law or other reason". Taking into consideration the reason for cover not being provided under the policy (i.e., L driving whilst over the prescribed limit for alcohol) I can't say it was unreasonable for Advantage to have cancelled the policy even if there was only a short period of time left before the policy came to a natural end.

I appreciate Mrs G will be disappointed, but I don't require Advantage to take any further action.

Advantage's Customer Service

Mrs G has said she is unhappy with how she was dealt with by Advantage's different advisors citing that whilst some were helpful others were in her opinion badly trained, incompetent, or rude to her. I have listened to the call recordings provided by Advantage of its discussions with Mrs G and I don't agree.

I recognise that at the time difficult information was being imparted and it was a distressing time for Mrs G. She was out of the country, when L's accident occurred. However, I find Advantage didn't act unreasonably in the calls. Its advisors were trying to obtain information from Mrs G in order to deal with the claim. On this basis, I don't require Advantage to take any further action.

Third-Party Claim

Mrs G has said she was given incorrect information by Advantage's advisor who firstly told her it would deal with the third-party's claim to then be subsequently told it wouldn't and it would be seeking reimbursement from Mrs G of any sum paid out.

Whilst I appreciate Advantage's advisor may not have been clear when initially speaking with Mrs G, from the available call recording I have listened to, this was clarified the following day during a telephone call between the parties. As such I don't think the impact of any misinformation was significant enough to warrant an award of compensation in this case. The incorrect information was corrected within 24 hours.

I therefore don't require Advantage to take any further action in this respect.

My provisional decision therefore didn't require Advantage to take any further action.

Advantage said it accepted my provisional decision. Mrs G acknowledged my provisional decision. But she said she had nothing more to add.

The complaint has therefore been passed back to me for a final 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 considered the response to my provisional decision from both parties and with no further evidence or comments having been provided, I see no reason to reach a different

conclusion to the one reached in my provisional decision as set out above.

So, I don't uphold the complaint for the reasons I set out in the provisional decision.

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 G to accept or reject my decision before 24 April 2025.

Lorna Ball
Ombudsman