

## **The complaint**

Mr M complains about U K Insurance Limited's ("UKI") decision to reduce his No Claims Discount following a claim against his car insurance policy.

## **What happened**

Mr M says he attempted to upgrade his policy in June 2023 and add protected No Claims Discount ("PNCD"). He says there was a system fault at the time and, as well as showing the incorrect price, it wouldn't allow him to proceed. Mr M says he called UKI and explained the issue and they applied the upgrade manually. Mr M says he believed all changes he'd made online, including the PNCD, were applied during the call. Mr M says he was involved in an accident in October 2024 and while checking his policy he noticed he didn't have PNCD, so he added it in. Mr M says UKI then reduced his No Claims Discount ("NCD") on the basis the PNCD was added after the accident. So, Mr M complained.

UKI responded and explained Mr M reported an accident to them in October 2024 and, later that day, Mr M logged into his account online and added PNCD. They said, as this was added after the accident, it wouldn't apply to the fault claim. UKI said they'd listened to the call which Mr M made in June 2023 but there was no mention of adding PNCD. They said, following this, a number of policy documents had been sent to Mr M which didn't include PNCD – and it was Mr M's responsibility to review the documents to ensure it covered everything he wanted.

Our investigator looked into things for Mr M. He thought UKI hadn't acted unfairly in reducing Mr M's NCD. Mr M disagreed so the matter has come 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 the complaint. I understand Mr M will be disappointed by this but I'll explain why I have made this decision.

UKI have provided the call recording for the phone call which took place between Mr M and UKI in June 2023. Mr M called UKI and explained he was trying to make a change to his policy online, but the system was showing an error. When asked what change Mr M was attempting to make, he said he was trying to change the level of cover. Mr M then explained what his current level of cover was and what he was attempting to upgrade the cover to. The call handler confirmed they were also seeing errors, so a return call was arranged.

During this call the call handler explained they'd manually upgraded the cover to the level Mr M wanted and what this included. Mr M then said he also wanted to change the owner and registered keeper of the car and this was done. There was then a discussion around the price Mr M could see online and the error preventing him from taking up an offer on the price. When asked by the call handler what Mr M was trying to amend online, he said, "*I just went on to change my cover...*" and the call handler clarified Mr M had 'comprehensive'

cover and wanted to upgrade to 'comprehensive plus' cover. During this call Mr M didn't mention that he had also tried to add PNCD or that he wanted the call handler to add this despite there being a discussion around what changes Mr M had tried to make online.

From what was discussed during this call, I'm persuaded that Mr M did likely experience an issue when attempting to make changes to his policy. But it's clear this wasn't successful, so this led to Mr M calling UKI to make those changes. The main change appears to be Mr M wanting to upgrade his level of cover but if Mr M was aware the system hadn't allowed him to make this change, I think it's reasonable to conclude that any change Mr M says he tried to make to his online account by adding PNCD will also likely have been unsuccessful. But Mr M didn't then ask the call handler to add this or even sought to clarify whether this was showing on his policy. Mr M did discuss changes he wanted to make to his policy, so this gave Mr M an opportunity to add PNCD if this was something he'd already attempted to do online. So, I can't say UKI have made an error here in not adding the PNCD to Mr M's policy.

I acknowledge Mr M accepts the PNCD wasn't mentioned in the call, but he maintains he did make the change to his level of cover and added PNCD when he attempted to make the changes online. Mr M says he reasonably assumed the call handler had applied all changes he'd attempted to make. I have taken Mr M's points into account, but as I've mentioned above, I think it was reasonable to assume the fact that the level of cover hadn't been changed online, also meant the PNCD hadn't been added. And I think it was reasonable in the circumstances for Mr M to have clarified this, particularly when there was a discussion around the changes Mr M wanted to make. I acknowledge Mr M says a system error was the cause of the PNCD not being added in the first place, but I haven't seen any information which persuades me that, it's more likely than not, Mr M did add PNCD when making changes online.

I can see there were further opportunities for Mr M to identify that the PNCD wasn't included in his policy. A renewal invite was sent to Mr M in April 2024 which showed he didn't have PNCD. There was a box on page 1 setting out the cover and this contained an 'X' beside the term 'Protected No Claim Discount'. Mr M called UKI the same day to discuss the renewal price and, when asked whether any of the details in the renewal invite were incorrect or had changed over the last year, Mr M said, "*No, everything's correct on it, I think.*"

The call handler then offered a discount on the price quoted which Mr M accepted. Mr M then later made changes to his policy and amended policy documents were issued to him in July 2024 reflecting the changes, and this again showed he didn't have PNCD. This was again shown in a box on page 1 headed 'At a glance' and contained an 'X' beside the term 'Protected No Claim Discount'. The same appeared in policy documents sent to Mr M in August 2024.

I can see Mr M says he didn't review the policy documents in detail and he had no reason to believe anything was incorrect. The policy documents sent to Mr M did make it clear that it was important for Mr M to read the documents to ensure all information was correct. And I think it's reasonable in the circumstances for UKI to have expected Mr M to have read the documents to ensure the policy provided Mr M with the cover he wanted. And, as mentioned above, these documents made it clear that Mr M's policy didn't have PNCD.

UKI have provided system notes which show Mr M called UKI at 8.54am on 28 October 2024 to report he'd been involved in an accident. The system notes then show Mr M logged into his account online and added PNCD at a price of £62.61. The system notes show this was done at 10.01am on 28 October 2024 and amended policy documents were issued to Mr M showing his policy now had PNCD. So, given the timeline here, and what the system notes show, I'm satisfied Mr M didn't have PNCD on his policy prior to the accident

occurring. So, it follows that I don't think it's unreasonable for UKI to have reduced Mr M's NCD in line with the policy terms and conditions.

I acknowledge Mr M says his action immediately following the accident, and when he realised he didn't have PNCD on his policy, was to add this online. Mr M says this shows his intention to have that protection in place. I have taken into account Mr M's points, but for all the reasons I've mentioned above, I'm not persuaded UKI have made an error here.

I wish to reassure Mr M I've read and considered everything he has sent in, but if I haven't mentioned a particular point or piece of evidence, it isn't because I haven't seen it or thought about it. It's just that I don't feel I need to reference it to explain my decision. This isn't intended as a discourtesy and is a reflection of the informal nature of our service.

### **My final decision**

For the reasons I have given, it is my final decision that the complaint is not upheld.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr M to accept or reject my decision before 5 February 2026.

Paviter Dhaddy  
**Ombudsman**