

The complaint

Mr G complains Advantage Insurance Company Limited wouldn't extend the period of cancellation on his motor insurance policy after it found out he had a motoring conviction on his record.

Mr G was represented by a relative when he referred his complaint to this Service, but for ease of reference, I'll refer to Mr G throughout as he is the complainant.

What happened

Mr G purchased the policy online through a comparison website in November 2024. In February 2025 when Advantage validated Mr G's policy, it discovered there was a conviction on his licence. It said he hadn't disclosed this at the time of taking out the policy. Advantage said when it tried to add the conviction to the policy, it was unable to obtain a quote and could no longer continue with the policy. So it sent a notice on 28 February 2025 informing Mr G his policy would be cancelled in seven days.

Mr G said he was unaware of any convictions on his licence, and on receiving the cancellation notice on 3 March 2025, he immediately started an appeal process with the court for a hearing date of 10 March 2025. Mr G says he explained to Advantage what had happened that had resulted in the conviction being on his licence, he had been a passenger in his friend's car that had been stopped by the police. He asked Advantage to extend the cancellation period whilst the appeal was being processed. Advantage said it couldn't pause the policy as courts can take time and confirmed the cancellation would still stand. The policy was cancelled on 7 March 2025 and a pro-rata refund of the annual premium was paid.

Following the court hearings on 10 March 2025, and 17 March 2025, Mr G provided Advantage with evidence from the police, the conviction had been applied by mistake as the police had initially mixed up the driving licences which resulted in the conviction being recorded incorrectly against Mr G, and a further mistake when sending the summons.

However, Advantage didn't change its decision.

Mr G complained to Advantage as he said the court confirmed its decision within 10 days of the cancellation date, and said he thought Advantage could've paused the policy, or at least the cancellation, during the time whilst he was obtaining the evidence.

In its response Advantage said it cancelled the policy because it wouldn't have offered a policy had Mr G disclosed the conviction at the time of sale. It said, as the conviction was on Mr G's licence at the point of sale, he should have been aware of it. It noted Mr G's friend had received a court summons addressed to Mr G and thought this should have alerted him to have done more to find out about the conviction. Mr G responded and said that, when he spoke with his friend, he told him, he had pleaded guilty and paid the fine.

Advantage maintained its position but told Mr G he didn't need to declare the cancellation to

future insurers as it hadn't recorded it on any database.

Unhappy with the response Mr G has bought his complaint to this service.

Our investigator upheld the complaint and said he didn't think there had been any misrepresentation. He was persuaded by Mr G's evidence that he was unaware of the conviction at the time of taking the policy. He recommended £150 for the distress and inconvenience caused by Advantage cancelling the policy and not giving him the opportunity to prove the conviction was on his licence.

Advantage didn't agree, so the complaint has been passed to me.

I issued a provisional decision and didn't uphold Mr A's complaint as follows:

I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint.

Firstly, I acknowledge I've summarised Mr G's complaint in less detail than he's set out. Our rules as an informal dispute resolution service allows me to do that. I would like to assure Mr G and Advantage I have read and considered everything all parties have provided. However, my provisional decision focuses on what I consider to be the key issues. And having done so, I'm not upholding this complaint. I'll explain why.

My role here is to decide whether Advantage have acted fairly towards Mr G.

The key issue in Mr G's complaint is whether Advantage acted fairly and reasonably in declining to extend the period of cancellation after discovering he had an IN10 motoring conviction.

Advantage said it wasn't willing to continue a policy when it doesn't provide cover for a IN10 motoring conviction. It exercised its right under the policy to cancel and gave Mr G seven days' notice.

The terms of the policy say Advantage can cancel the policy where there is an exceptional or valid reason for doing so and Advantage will provide a policyholder with a minimum of seven days' written notice of cancellation.

I've thought about whether this was fair and reasonable and I can see Mr G had provided an explanation of the background to Advantage. But, ultimately, Advantage was presented with information about Mr G's conviction which hadn't previously been disclosed. Advantage confirmed it doesn't cover individuals with an IN10 conviction and this was a risk it wasn't willing to undertake. I don't think it was unreasonable for it to choose not to continue the policy and cancel with notice.

Whilst it was later shown the conviction wasn't relevant to Mr G, that doesn't mean Advantage treated him unfairly by its decision not to extend the pending cancellation as it was relying on the information it had been given at the time. I recognise Mr G wanted Advantage to pause the policy or cancellation process. But Advantage would still have had certain liabilities on the policy – particularly under the Road Traffic Act – had it allowed the policy to continue. And I don't think it was unreasonable it didn't want to incur this risk. I think the policy terms entitled Advantage to cancel the policy in these circumstances. And I can't say it was unreasonable for it to do so at that time.

I recognise Mr G has said he is still concerned about the cancellation showing on his record, but Advantage has provided confirmation in its letter that it hasn't recorded the cancellation

on any external or internal database and Advantage has told Mr G, he doesn't need to disclose this to future insurers.

My provisional decision

My provisional decision is that subject to either party providing me with further evidence. I don't intend to uphold this complaint.

Responses to my provisional decision

Mr G replied to say he felt strongly that his version of events has been dismissed. Mr G maintains that he did nothing wrong and he was always innocent and couldn't have done anything differently. Mr G says he was only asking for a period of grace, and during that time the car would not have been driven and would have been kept off road. Mr G also says that Advantage refused to provide him cover when he tried to re-insure his car and considers there must have been a record on his file.

Advantage did not respond.

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 seen no reason to alter my findings.

I firstly apologise for the typo on page two referring to the complaint being upheld.

I understand how strongly Mr G feels in respect of what happened. Ultimately, Advantage cancelled the policy due to the IN10 conviction on Mr G's licence. Advantage confirmed it doesn't provide cover for that conviction, and it wasn't a risk Advantage was willing to accept. By giving notice and cancelling the policy it exercised its right under the policy terms and conditions. Taking these points into account, I don't think Advantage has acted unfairly and unreasonably in cancelling Mr G's policy in the circumstances of this case. So I won't be asking them to take any further action.

If Mr G is concerned about not being able to get a policy with Advantage after the cancellation he will need to complain to it in the first instance. I can't see that this formed part of his original complaint that was addressed in the final response letter. The Financial Conduct Authority (FCA) dispute resolution or DISP rules don't allow us to consider an issue unless it's first been raised with the business. So, I can't consider it here. However, Advantage has reconfirmed to me that it hasn't recorded the policy cancellation on any internal or external database.

My final decision

For the reasons set out above, it's my final decision not to uphold Mr G's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr G to accept or reject my decision before 23 March 2026.

Lorraine Ball
Ombudsman