

## **The complaint**

Mr B has complained about information Tesco Underwriting Limited has recorded following the cancellation of his car insurance policy.

## **What happened**

In March 2025 Mr B bought a car insurance policy online with the insurer, Tesco. The policy was to start on 11 March 2025.

Tesco wrote to Mr B giving a seven day cancellation notice on 11 March 2025. It said he hadn't provided accurate information when he applied for the policy.

On 17 March 2025 Tesco agreed Mr B could lead the cancellation and it cancelled the policy on the same day. Tesco updated database other insurers use to show a cancellation by a customer. But it also recorded the reason being due to quote manipulation.

Mr B is unhappy with this. He says he looked for alternative quotes to see the difference in price. He says he spoke to Tesco after it issued its cancellation notice and provided the correct information. Mr B says his girlfriend submitted the application online on his behalf and this was the cause of incorrect information being provided.

Mr B says he has been accused of fraud. And he says Tesco offered him a policy for a higher premium before cancellation. He wants Tesco to remove his data.

One of our Investigators thought Tesco had correctly recorded information as it had happened on a central database. So she didn't recommend Tesco needed to do any more.

Mr B disagrees and wants an ombudsman to decide.

## **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.

There isn't anything inherently wrong with a customer obtaining quotes using different information. But if a customer goes on to buy a policy using the incorrect information which produces a lower price, this is described as quote manipulation.

I understand Mr B disagrees with what Tesco has done. But I don't find it has acted unreasonably. I think it has treated Mr B fairly and as it would any other customer in the same circumstances. Tesco has shown that Mr B – or his representative – obtained quotes using different information – with and without penalty points Mr B had on his driving licence. Along with other inconsistencies, the application to buy the policy didn't include penalty points Mr B held. This meant the price of the policy was lower than Mr B should have paid had he disclosed the correct information.

As Tesco allowed Mr B to cancel the policy, this was a more favourable outcome for Mr B. Mr B says he held one year NCB when he applied for the policy with Tesco, As he cancelled

this policy within one week, this would not have prevented Mr B from using recent NCB entitlement he used for Tesco's policy elsewhere.

From the call recordings provided by Tesco, it did not offer to provide cover for Mr B. But it did explain that based on the correct information, this meant the premium was much higher and so it wouldn't offer a policy.

Mr B's policy with Tesco says;

*"It is your responsibility to ensure that all the information that has been given by you, or that has been given on your behalf, is true and complete.*

*If there are any errors on your Statement of Fact, Schedule or Certificate of Motor Insurance, or the information is incorrect, or if you, or anyone acting on your behalf, makes a false statement, misrepresents or withholds information, from Tesco Insurance, one or more of the following actions will be taken:*

- your policy will be updated with the correct information and any change in premium applied,*
- your claim will be refused, or only a proportion of your claim will be paid,*
- your policy will be cancelled, which may be with immediate effect,*
- your policy will be made void (as if the policy never existed),*
- any premium(s) you have paid will be retained.*

*It is an offence under the Road Traffic Act to make a false statement or to misrepresent or withhold information for the purposes of obtaining a Certificate of Motor Insurance."*

Under the Statement of Fact within your policy documents it also states:

*"False statements, misrepresentation or withholding information*

*Making a false statement or misrepresenting or withholding information from the administrator could result in your contract of insurance being voided (as if the policy never existed), all claims under your policy being refused and all premiums that you have paid being retained. It is your responsibility to ensure that all the information that has been given by you, or that has been given on your behalf, is true and complete. If there are any errors on your Statement of Fact, Schedule or Certificate of Motor Insurance or the information is not correct your policy may be voided.*

*Please contact our Customer Services Line immediately if you are in any doubt that your policy details are not correct to ensure you, and any other driver covered by your policy, continue to have the full protection of your policy."*

The Statement of Fact also states:

*"Insurance Registers and Databases*

*Information relating to your insurance policy will be added to the Motor Insurance Database (MID) managed by the Motor Insurers' Bureau (MIB)."*

So I think Tesco was clear about the importance of providing correct information and the

consequences if the information wasn't correct. I therefore don't find that Tesco has recorded information incorrectly so I'm not asking it to change anything.

I can only consider matters up to the date of Tesco's final response which is 3 April 2025. Any issues Mr B is unhappy with since then, he will need to first raise with Tesco.

### **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 Mr B to accept or reject my decision before 20 October 2025.

Geraldine Newbold  
**Ombudsman**