

The complaint

Miss O and her son Mr O complain that Advantage Insurance Company Limited ("Advantage") didn't deal fairly with a claim on a motor insurance policy.

What happened

The subject matter of the insurance, the claim and the complaint is a car, first registered in 2017.

Miss O or Mr O acquired the car in June 2024. Miss O (or Mr O on her behalf) applied for a comprehensive policy for the year from 17 June 2024. In doing so they said that the car had no modifications.

An insurance intermediary associated with Advantage issued the policy. Miss O was the policyholder. Mr O was a named driver. He agreed to pay the cost of about £3,000.00 by instalments.

Advantage was the insurance company that was responsible for dealing with any claim. Much of the complaint is about acts, omissions or communications by the intermediary on behalf of Advantage. Insofar as I hold it responsible for them, I may refer to them as acts, omissions or communications of Advantage.

Miss O (or Mr O on her behalf) reported that an accident had damaged the car in late August 2024.

Advantage received an engineer's report on the car. It included that someone had installed a non-standard cone air filter.

By a letter dated late November 2024, Advantage referred to Consumer Insurance (Disclosure and Misrepresentation) Act 2012 ("CIDRA"). It said that it was treating the policy as void from the start and declining the claim.

Advantage made a refund of payments of instalments.

Mr O complained to Advantage that it wasn't dealing with the claim fairly.

By a final response dated 3 February 2025, Advantage turned down the complaint.

Miss O and Mr O brought the complaint to us in early June 2025.

Our investigator didn't recommend that the complaint should be upheld. She thought that Advantage had been entitled to avoid the policy in accordance with CIDRA.

Miss O and Mr O disagreed with the investigator's opinion. They asked for an ombudsman to review the complaint. Mr O sent us documents dated mid-September 2025, by which DVLA prosecuted him for keeping the car while uninsured in early April 2025.

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.

CIDRA imposes a duty on a consumer to take reasonable care not to make a misrepresentation when taking out an insurance policy.

A consumer fails in that duty if they make a careless misrepresentation. If that happens, and the misrepresentation makes a material difference to the insurer, then it is "qualifying" under CIDRA which gives the insurer certain remedies.

If the difference is that, but for the misrepresentation, the insurer wouldn't have issued a policy at all, then the remedies are that the insurer may treat the policy as void and decline any claim.

Advantage has sent us (in confidence as is allowed by the relevant rules) information about its underwriting criteria. From that information, I'm satisfied that Advantage wouldn't have offered a policy to Miss O if it had known that the car had been modified.

I've seen that, during the application for the policy, the website asked a question as follows:

"Does the car have any modifications?"

That question was accompanied by information as follows:

"if you or a previous owner has made a change from the manufacturer's original specification such as alloy wheels, air conditioning, bodywork, exhaust system, suspension or tinted windows, add it here. If you're unsure if your car has been modified, check its previous history to find out."

So I'm satisfied that the question was clear.

Miss O (or Mr O on her behalf) answered 'no'. That wasn't correct. Someone had modified the car by installing a cone air filter. So Miss O was responsible for making a misrepresentation.

Mr O has told us that he had bought the car without knowing about the cone air filter.

However, in the context of a 2017 car, the photographs show that the air filter was new and prominent under the bonnet and not a standard shape. So I consider that a reasonable consumer ought reasonably to have known that it was a modification. Therefore I don't consider that it was unfair for Advantage to treat Miss O as having made a careless misrepresentation.

I've found that Advantage wouldn't have offered a policy to Miss O if it had known that the car had been modified. Therefore I don't consider that it was unfair for Advantage to treat her as having made a qualifying misrepresentation.

So, in line with CIDRA, I don't consider that it was unfair for Advantage to treat the policy as void and to decline the claim.

My final decision

For the reasons I've explained, my final decision is that I don't uphold this complaint. I don't direct Advantage Insurance Company Limited to do any more in response to this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr O and Miss O to accept or reject my decision before 25 December 2025.

Christopher Gilbert
Ombudsman