

The complaint

Mr D complained that Advantage Insurance Company Limited (“Advantage”) declined to provide assistance over the phone and didn’t cancel his motor insurance policy when instructed to.

What happened

Mr D said he bought a car on 20 June 2025. He wanted Advantage to replace his old car with the new car, on his existing insurance policy. But he also required cover for his old car temporarily until he sold it. He called Advantage to find the best way to do this but was told his policy was “*online only*” meaning he would have to process it online.

Mr D said he subsequently went online and swapped cars on his existing policy. He then agreed a temporary policy to cover his old car for 28-days. Mr D said he sold his old car on 9 July 2025 and attempted to inform Advantage that he needed to cancel the cover. He said there was no way of doing this online. This meant his policy would still show on the Motor Insurance Database (“MID”). He was concerned that this meant a claim could still be made against his policy.

Mr D said he called Advantage but was told there is no facility to cancel his 28-day policy. He said the business explained it would make a note to confirm the car had been sold. After he complained he said it refunded a £20 administration fee he’d paid. But Mr D said the business didn’t uphold his complaint that advice was initially refused over the phone. He explained this had resulted in the second call when he wanted to cancel.

In its final complaint response Advantage said a note was added to Mr D’s policy when he sold his car. This was to ensure he would not be held liable for any incident going forward. It said the cancellation terms were made clear in the documentation it sent to him. The business said certain changes including cancellations must be handled by its contact centre. This meant online customers must make contact in certain circumstances. As a gesture of goodwill Advantage said it had paid Mr D £20.

Mr D didn’t think Advantage treated him fairly and referred the matter to our service. Our investigator didn’t uphold his complaint. He thought the business had made the terms and conditions of Mr D’s policy clear throughout.

Mr D didn’t accept our investigator’s findings and asked for an ombudsman to consider his complaint.

It has been passed to me 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.

Having done so I’m not upholding this complaint. I’m sorry to disappoint Mr D but I’ll explain

why I think my decision is fair.

We expect Advantage to provide clear policy information and an effective service to its policyholders. I've focused on that here.

Mr D's original policy documents confirm that he had "*online insurance*". I can see that this is set out on the front page of his renewal pack. This was issued prior to him buying his new car. So, he will reasonably have been aware of this. This explained that Mr D had self-service insurance, where he was expected to manage most parts of his policy online. Albeit it explained contact by telephone can still be made relating to claims.

Based on this information Mr D was required to add his new car onto his policy using his online account. I understand that he wanted to discuss his circumstances over the phone and receive some advice. This is because he still needed cover for the car he was replacing. I've thought carefully about whether it was reasonable to tell Mr D to do this online, without receiving advice.

I asked for a recording of the call Mr D made on 20 June 2025 to understand what was discussed. The call began with Mr D explained the situation. The call handler told him that as his policy was an "*online policy*" there was limited help available outside of that provided online. She said this is reflected in the price of his cover. She explained that Mr D would need to arrange temporary cover online via the app. Mr D thanked the call handler and said he would obtain cover online.

I can see that Mr D was able to make the changes to his policy online by replacing the old car with the new on his existing policy. He was also able to add his old car as a temporary vehicle onto this policy.

Advantage has supplied screenshots that show the information Mr D was given when he made this addition to his policy online. Information was presented on the cost and fees involved. There is a help section that was provided at the start of the online process, which says:

"Once you've added temporary [sic] vehicle to your policy, it can't be cancelled or amended. There's no refund if you no longer need the car either."

I can see that documents were sent to Mr D when he arranged temporary cover on 20 June 2025. On the front page under the heading, "*Important to know*" it says:

"Now that you've added a temporary vehicle to your policy, the change you've made can't be cancelled or amended. So if you change your mind and the temporary cover isn't required, we unfortunately won't be able to offer a refund."

I think this information is clearly written. It was provided to Mr D before he agreed to the temporary cover. This makes clear that the policy cannot be cancelled. However, I acknowledge Mr D's concern that this could mean a claim being made against this policy after he sold the car.

Our investigator contacted Advantage to ask for its comments on this point. It responded to explain that the policy would not show on the MID. It didn't think it was likely that a claim would be made against the policy because of this. But if a claim was made it said this could be dismissed once it was shown that the car had been sold.

I've also listened to the call Mr D made to Advantage on 9 July 2025. This was after he'd sold his car. He explained the circumstances and that he wanted to cancel the policy. The

call handler said a note will be added to the policy confirming Mr D no longer owned this car. He said there was no facility to cancel a temporary policy. Rather this would expire on the date agreed. The call handler explained that a claim could not be made against his policy by a third party as the business was aware he no longer owned the car. He also told Mr D that no premium refund was available for early cancellation of a temporary policy.

As far as I am aware no claim has been made against Mr D's policy. I think Advantage's explanation is reasonable that a claim could not be made against the temporary policy for the reasons it gave. This was for the period 9 July 2025, when the car was sold, until the policy ended on 20 July. This was made clear to Mr D when he called on 9 July. I understand that he was concerned about his policy being visible on an industry database. But I'm satisfied from what I've read that Advantage was aware Mr D had sold his car – so it would not accept a claim relating to this vehicle.

I've thought about Mr D's concern that he sold his car on a Friday evening. He said there was no facility to update the policy online to show he'd sold the car. This meant he could only update Advantage on the following Monday by phone. However, according to the ownership records I've seen, Mr D sold his car on 9 July 2025. This was a Wednesday not a Friday. I've listened to the call Mr D made to Advantage on 9 July to inform it he'd sold the car. So, Mr D was able to tell Advantage the car had been sold on the date this happened.

For clarity, I asked Mr D to confirm the date when he sold his car. He said it was on 9 November 2025. This can't be the case as he confirmed the car was sold in July during a call with Advantage. This is also at odds with the records I've seen. I assume this is a mistake on Mr D's part when confirming the date. Based on this information I can't see that Advantage treated him unfairly.

I've thought carefully about Mr D's point that he was refused advice initially, and that this necessitated his later call when he wanted to cancel. But as discussed it was explained in the policy documentation that the temporary cover could not be cancelled. Even if further explanation had been provided during the call on 20 June 2025, Mr D would still have needed to call Advantage in July to confirm that his car had been sold. So, I'm not persuaded that he was treated unfairly.

I understand Mr D's desire for there to be no active cover for a third-party to potentially claim against. But I'm satisfied there was no likelihood of a claim being accepted against Mr D's temporary policy after he sold the car. This was explained to him on the date he sold his car.

Having considered all of this I don't think Advantage treated Mr D unfairly in how it communicated with him or in the action it took. So, I can't reasonably ask it to do anymore.

My final decision

My final decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr D to accept or reject my decision before 15 March 2026.

Mike Waldron
Ombudsman