

## **The complaint**

Mrs L and Mr L have complained about Advantage Insurance Company Limited. They aren't happy that it increased their premium when it realised their no claims discount (NCD) was being used on another vehicle.

Any reference to Advantage includes any agents that it is responsible for unless specified.

## **What happened**

Mrs L and Mr L took out a motor insurance policy with Advantage for their new car. But when Advantage asked for proof of their NCD it transpired that the NCD was being used on another vehicle for longer than Advantage found acceptable under its underwriting criteria and so it increased the premium charged.

When they complained to Advantage about this it explained that it would allow some tolerance in the use of NCD on another vehicle but as this had gone beyond the 30 days it would allow it had charged a slightly increased premium. But as Mrs and Mr L remained unhappy they complained to this Service.

Our Investigator looked into things for Mrs L and Mr L, but he didn't uphold their complaint. Although he could understand their position, he didn't think Advantage had done anything wrong. This was because generally an NCD can't be used on more than one vehicle at the same time, Advantage had shown it had acted in line with its own underwriting criteria and offered to allow cancellation which he thought was fair.

As Mrs L and Mr L didn't agree the matter has been passed to me for review.

## **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 know this will come as a disappointment to Mrs L and Mr L, but I'll explain why.

I have some sympathy with the position Mrs L and Mr L found themselves in as they simply didn't realise they couldn't use their NCD here. But it's standard across the insurance industry that an NCD cannot be used on more than one vehicle. Advantage has a cross over period of up to 30 days, but Mrs L and Mr L's NCD was still being applied to another vehicle after its tolerance period. Indeed, most insurers would not allow any cross over.

I know Mrs and Mr L feel that this could be made clearer, but this is general practice across the industry, and I don't think Advantage has done anything wrong here. And it gave Mrs L and Mr L the opportunity to cancel the policy and to look to reinsure using the NCD if they wished so it seemed to have acted reasonably here.

Mrs L and Mr L have said they made the broker aware that they were continuing to use the NCD elsewhere as they were looking to sell their old car having bought the new car. I haven't seen anything to support that position but as our Investigator outlined, they maybe be able to a complain to the broker about this if they wish. But it is clear that they were using the NCD on another car and getting the benefit of a reduction on that policy so I don't think

Advantage have done anything wrong and the policy terms are clear *'You can't transfer your no claims discount to someone else or use it on more than one car at the same time.'*

I've looked at the links Mrs L and Mr L provided which they feel supports their position in the way the use of NCD can be used on more than one vehicle at the same time. But I'm not persuaded by these and one of the links is in relation to multicar insurance. And, although I accept that Mrs L and Mr L weren't aware that they couldn't use their NCD on more than one vehicle, I think most people generally would understand this.

Given all of this I don't think Advantage has done anything wrong here. As Mrs L and Mr L were using their NCD on another car I think Advantage acted fairly here, especially as it allowed them to cancel the policy if they wished so they could look to use the NCD that came available after they sold their other car.

### **My final decision**

It follows, for the reasons given above, that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs L and Mr L to accept or reject my decision before 12 March 2026.

Colin Keegan  
**Ombudsman**