

## The complaint

Miss J complained that Advantage Insurance Company Limited (“Advantage”) unfairly declined her claim because her motor policy hadn’t transferred across to her new car. Miss C had representation for this complaint, but for ease and simplicity, I’ll only refer to Miss C.

## What happened

When Miss C was ready to pick-up her new car, she tried to transfer her insurance policy from her old car to her new car ahead of picking it up.

Miss C tried to do the transfer via Advantage’s app, but she was having problems and called through to its helpdesk. Miss C was still trying to do the transfer on the app when she got through to the helpdesk. Miss C thought the app was now responding so told the agent that it was no longer a problem, as she thought her policy had transferred to the new car.

Unfortunately, just after Miss C picked up the new car she was involved in an accident. Advantage arranged for the car to be collected and repaired, and it provided a courtesy car. However, Miss C was astounded when Advantage told her the transfer of insurance hadn’t taken place, so she wasn’t insured. So, Advantage subsequently declined the claim and it asked Miss C to pay all the costs.

Our investigator decided to uphold the complaint. He thought Miss C was genuine that she had thought her insurance had been transferred, so he thought Advantage should settle the claim. Advantage disagreed, so the case has been referred to an ombudsman.

## 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 is clear evidence that Miss C tried to transfer her insurance on the app. She believed her insurance was being transferred as once she was through to the helpdesk she no longer needed the call agent’s help. Advantage has said Miss C would’ve seen a message on the app screen that she needed to call the helpdesk. It said the transfer didn’t work as Miss C’s “*licence age*” hadn’t changed from 0 to 1 year.

On the balance of probabilities, I think it’s more likely that Miss C had every intention of transferring her insurance. It appeared to Miss C that her insurance had transferred. I appreciate Advantage said the app would’ve told Miss C to call the helpdesk. But given the issues Miss C was having with the app, I’m not convinced this message would’ve been seen.

I’ve considered whether there is any evidence Miss C was being fraudulent or behaved negligently. I don’t think there is. There is evidence that Miss C bought tax for her new vehicle just before she collected it. I think this provides further evidence that Miss C’s intentions were genuine, and she acted with integrity. So, I think it’s more likely that Miss C after trying to transfer her insurance thought it had transferred successfully.

I've considered whether the transfer of insurance would've been declined by Advantage for any reason. However, it seems the risk on the new car was lower and there is no evidence that Advantage wouldn't have allowed the transfer to go through.

Therefore, I uphold this complaint. I think Advantage's app wasn't working as well as it could've done and Miss C's intentions were clear that she tried to transfer her insurance. Therefore, I don't think it's fair that Advantage hasn't honoured the claim. I find it odd that Advantage provided a courtesy car and repaired Miss C's vehicle before telling her that the claim was declined, and she'd have to pay all the costs.

Therefore, I require Advantage to honour the claim as if it had insured Miss C's new car. It needs to manage Miss C's claim properly in line with the terms and conditions until the point the claim is closed.

### **My final decision**

My final decision is that I uphold this complaint. I require Advantage Insurance Company Limited to:

- Treat Miss C's claim in the same way as if she had been insured and deal with her claim to its conclusion in line with the terms and conditions of the policy.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss C to accept or reject my decision before 1 April 2024.

Pete Averill  
**Ombudsman**