

The complaint

Mrs F complains about Advantage Insurance Company Limited ("AIC") and the way they handled the claim she made on her motor insurance policy, following a road traffic accident.

What happened

Mrs F held a motor insurance policy, underwritten by AIC. Unfortunately, on 18 November 2022, Mrs F was involved in a road traffic accident which damaged her car. So, she contacted AIC to make a claim on the policy she held.

Based on the damage Mrs F described, and the circumstances of the accident, AIC assumed the car was most likely repairable. So, AIC instructed a third-party company, who I'll refer to as "E", to arrange the car repairs. And E subcontracted this work to another party, who I'll refer to as "X". As both E and X were acting on behalf of AIC, AIC remain ultimately responsible for the service they provided.

But Mrs F encountered difficulties during the claim process from this point. The repairs required to her car weren't authorised until 24 February 2023, with the repairs completing the following month. Mrs F was unhappy about this, so she raised a complaint.

Mrs F was unhappy with how long it had taken for her claim to progress. And she was unhappy with the level of communication she'd received during this time and the inconvenience she'd been caused because of this. So, she wanted to be compensated financially.

Initially, AIC responded to the complaint and didn't uphold it. They thought the delays in arranging repairs to Mrs F's car had been caused by Mrs F herself, and her availability due to a pre-planned holiday. So, they didn't offer to do anything more. Mrs F remained unhappy with this response, so she referred her complaint to us.

Our investigator looked into the complaint and upheld it. Our investigator didn't think they'd seen evidence to suggest the delays in the claim process were the fault of Mrs F. So, based on Mrs F's testimony and considering the fact AIC hadn't provided information when requested, our investigator thought AIC should pay Mrs F £300 to recognise the distress and inconvenience she'd been caused.

AIC didn't agree with this level of compensation. Following our investigator's recommendation, AIC responded providing the information our investigator had originally requested. And alongside this information, AIC accepted they had failed to progress the claim, and update Mrs F, as well as they could've done. But they explained their belief that £150 compensation was a fairer offer, considering Mrs F remained mobile during the delays.

This offer was put to Mrs F, who rejected it. So, our investigator considered AIC's comments and the information they provided. And having done so, their recommendation remained unchanged. They were satisfied the majority of the delays during the claim process were the fault of AIC and their agents. And they didn't think Mrs F being mobile meant the compensation should be lowered, especially considering the car was deemed unsafe to

drive when it was eventually inspected. So, our investigator maintained AIC should pay Mrs F £300.

Mrs F accepted this recommendation. But AIC didn't respond. As AIC didn't respond, our service must assume the recommendation has been rejected. And so, the complaint has been passed to me for a decision.

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 upholding the complaint for broadly the same reasons as the investigator. I've focused my comments on what I think is relevant. If I haven't commented on any specific point, it's because I don't believe it's affected what I think is the right outcome.

I note that initially, AIC didn't uphold Mrs F's complaint. And that the claim progressed after Mrs F came to our service. But I'm satisfied that as Mrs F's complaint centres around the claim progression, our service should consider all of the events up to the car's repair.

And, I'm satisfied that AIC have been given the chance to provide their comments about this entire period, as they provided us with information to consider after our investigator's initial view alongside an offer to resolve the complaint.

In this offer, I note AIC have accepted they, or their agents they are responsible for, failed to progress the claim effectively. And, that they could've communicated with Mrs F better during this time. So, I'm satisfied AIC acted unfairly and unreasonably when progressing the claim and updating Mrs F. As this is no longer in dispute, I won't be discussing the merits of the complaint issues themselves any further.

Instead, I've focused on the main point that does remain in dispute which centres around what AIC should reasonably do to put things right.

Putting things right

Any award or direction I make is intended to place Mrs F back in the position she would've been in, had AIC acted fairly in the first place.

Had AIC acted fairly, I think they would've acted more proactively to ensure Mrs F's car was inspected and repaired sooner. And, when doing this, I think they would've taken steps to update Mrs F, rather than wait for Mrs F to contact them.

Had they done this, I think Mrs F would've had a fully repaired car available to her before March 2023. And I don't think Mrs F would've needed to have chased AIC, and their agents, on multiple occasions to understand what was going on and when her car would be repaired.

So, I think Mrs F should be compensated for the delays she experienced during the claim process. From what I can see, I think there was at least three months of delays during the claim process, whether that be down to the first garage rejecting the work or X working with a new garage to agree rates. On both occasions, I don't think Mrs F was responsible for these delays and it was instead the responsibility of AIC to manage. And I think these delays would've been both upsetting and frustrating for Mrs F during that time.

I think Mrs F should also be compensated for the inconvenience she's been caused chasing

all of the parties involved to gain a greater understanding of what was happening. This would've taken both time and effort I wouldn't have expected Mrs F to have needed to use, had AIC acted fairly.

Our investigator recommended that AIC pay Mrs F £300 to recognise the upset and inconvenience she's been caused, which Mrs F accepted. And I think this recommendation is a fair one, that falls in line with our services approach, and what I would've directed had it not already been put forward.

I think it fairly reflects the upset and inconvenience I've already listed above. And I don't think it should be impacted by the fact Mrs F remained mobile, as she remained mobile in a car that it transpires wasn't roadworthy and shouldn't have been used. I think the £300 adequately addresses the shock and upset Mrs F is likely to have felt when she realised she had continued to drive her car from November 2022 – February 2023 when it was unsafe to do so. And I think it reflects the fact that, had AIC acted as they should've done, the repairs would've been completed sooner and so, the danger posed to Mrs F during this time would've been mitigated.

So, I am directing AIC to pay Mrs F £300 to recognise all of the above.

My final decision

For the reasons outlined above, I uphold Mrs F's complaint about Advantage Insurance Company Limited and I direct them to take the following action:

- Pay Mrs F £300 to recognise the upset and inconvenience she's been caused during the process to repair her damaged car.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs F to accept or reject my decision before 31 July 2023.

Josh Haskey
Ombudsman