

The complaint

Mr R complains that Advantage Insurance Company Limited hasn't settled a claim on his motor insurance policy.

What happened

Mr R's car was damaged in an accident so he made a claim on his insurance policy.

Advantage accepted the claim and arranged an assessment of the repairs needed by an independent engineer (which I'll call "H"). H provided an estimate for repair costs of around £6,200.

Mr R said he didn't want to use the repairer on Advantage's network and would prefer to have the car repaired by a dealer that carried out repairs for that type of car.

When he found out there would be a wait of around three months, Mr R took his car to another garage to do the repairs. He then asked Advantage to reimburse him for the cost, which was around £7,200.

Mr R provided a copy of an invoice and the payment made, but Advantage asked him to provide a more detailed invoice with a breakdown of the amounts charged for parts. Mr R said he wasn't able to provide that, so Advantage didn't make any payment.

When Mr R complained, Advantage said in view of the high charges it needed an itemised bill.

Mr R remains unhappy. He says he provided a quote before the work was done and only went ahead on the basis this would be paid, but he's now out of pocket. He doesn't think it's fair for Advantage to refuse to make any payment at all.

Our investigator didn't think Advantage's request for an itemised list was unreasonable. As Mr R disagrees, he's requested an ombudsman's 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.

The relevant industry rules and guidance say insurers must deal with claims promptly and fairly; provide reasonable guidance to help a policyholder make a claim and appropriate information on its progress; and not unreasonably reject a claim. They should settle claims promptly once settlement terms are agreed.

The policy terms say:

- if the car is repairable, Advantage may choose to have it repaired using its nominated repairer;

- the policyholder can take the car to a repairer of their choice but if they do, they won't be entitled to benefits available under the nominated repairer scheme, and they will need to submit a repair estimate for approval before the work can start;
- when making any claim, the policyholder must co-operate fully and provide information needed for investigating and settling the claim.

I appreciate Mr R provided an estimate before the work was done, showing the estimated cost of the repairs. But I can't see that Advantage confirmed it would pay this amount. And it would still be reasonable to request proof of the costs incurred once the work has been done.

Advantage instructed H to agree the costs on its behalf and awaited the invoice for the completed repairs. The policy terms require Mr R to provide information requested for settling the claim. That's not unusual and most policies have similar requirements. So it was reasonable for Advantage to wait for evidence of the costs actually incurred, so H could assess this and confirm payment.

The repairs were done at a garage owned by a member of Mr R's family and the cost was quite a bit higher than the estimate from a specialist dealer that deals with this particular type of car. In these circumstances, and bearing in mind the need for Mr R to provide information needed for settling the claim, I think it was reasonable for Advantage to ask Mr R for more information to prove his claim. If Mr R provides further evidence Advantage will be able to continue assessing the claim and if he's unhappy with any decision Advantage then makes, he is free to make another complaint.

My final decision

My final decision is that I don't uphold the complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr R to accept or reject my decision before 21 December 2023.

Peter Whiteley
Ombudsman