

The complaint

Mr H complains about how Advantage Insurance Company Limited handled a claim made on his motor insurance policy. He wants compensation for his trouble and upset and his expenses.

What happened

Mr H was involved in an accident on 14 February 2022 and he made a claim on his policy. Advantage collected his car for repairs two weeks later and the repairs took longer than expected. Advantage provided a courtesy car when this was requested. But Mr H said this didn't meet his needs and his wife used it instead. Mr H collected evidence of his transport costs whilst he was without his car. He said these amounted to almost £4,000 but Advantage reimbursed him with £336. When Mr H complained, Advantage said it had made him an offer for his loss of use and it added £75 compensation for his trouble and upset.

But Mr H remained unhappy. He said dealing with the claim had caused him significant distress and he wanted £300 compensation. He also said Advantage hadn't repaired his car's rear bumper.

Our Investigator recommended that the complaint should be upheld in part. She thought Advantage's offer for Mr H's loss of use was fair and reasonable. She thought Mr H hadn't asked for a courtesy car initially. When one was provided, she thought it was in keeping with the policy's terms and conditions. She thought that as Mrs H had used it, then Advantage wasn't responsible for Mr H's loss of use. She thought Advantage had shown that the bumper damage was unrelated to the accident and so wasn't covered by the claim. But she thought Advantage should increase its offer of compensation by a further £100 to acknowledge the trouble and upset caused.

Advantage replied that it thought further compensation wasn't justified as it had already paid Mr H £411. It said the time Mr H spent on calls was due to his making a complaint and pursuing his claim for further repairs that were unrelated to the accident.

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.

I've looked at the level of service provided by Advantage after Mr H made his claim. I can see that Mr H initially asked Advantage to delay the repairs until the other driver's insurer had accepted liability.

I'm satisfied that Advantage correctly told Mr H that it couldn't pursue the other insurer for an admission of liability unless it had costs to recover. Mr H then decided to go ahead with repairs on 17 February 2022. So I can't reasonably hold Advantage responsible for this initial delay in the claim.

Mr H's car was undriveable. It then took two weeks to find a garage willing to undertake the repairs. But the delay was due to Mr H wanting to pursue repairs through a credit hire company. So I can't reasonably hold Advantage responsible for this. When Mr H said he

wanted to claim through his policy and use Advantage's repair network, I can see that Advantage promptly located a suitable garage.

The car was taken for repair on 2 March 2022 and Advantage said Mr H was then entitled to a courtesy car to be provided within 24 hours. I can see on page 10 of the policy booklet that Advantage provides a replacement car whilst Mr H's car is being repaired. But Mr H was then unable to drive due to his injuries and so he told Advantage he didn't then require a courtesy car. I can't see that the policy provides for an alternative in this case. But I think Advantage reasonably considered a payment for Mr H's loss of use for this period.

Mr H requested a courtesy car on 14 March 2022. But this wasn't provided until 24 March 2022. Advantage said this delay was due to its supplier's shortage issues, but I can't see that it looked for alternatives.

So I'm satisfied that Mr H was without the courtesy car he was entitled to for 24 days for the period whilst the car was in for repair. In its response to Mr H's complaint, I think Advantage reasonably offered him a loss of use payment at the rate that it would have paid for hire in this time, £14 a day for 24 days. And it also paid him £75 as an apology. This is more than we would recommend, so I think this was fair and reasonable.

Mr H was entitled to a small replacement car whilst his car was being repaired. But Advantage had only a large model available. Mr H said he was unable to drive this car and so his wife, a named driver on his policy, used it instead. I can't see from Advantage's file that Mr H complained about this at the time.

Mr H said he used alternative transport as he couldn't drive the courtesy car. Mr H said Advantage had told him to retain his receipts and it would reimburse them. Mr H provided a letter from Advantage which he said confirmed this. But I can see that Advantage said in the letter that it would "look to reimburse" Mr H which I'm satisfied means that it would consider his receipts, not that it would definitely reimburse them all.

In any case, I think Mr H already had the benefit of a courtesy car that he was entitled to under his policy's terms and conditions, albeit his wife was driving it. So I think it would be unreasonable to expect Advantage to also reimburse him for his loss of use whilst this was provided.

Mr H said Advantage hadn't fully repaired his car. But Advantage is only responsible for repairing damage that is related to the claim. I think Advantage's engineer and repairer reasonably considered the results of Mr H's recent MOT and the accident circumstances and thought that some of the claimed for damage was unrelated to the accident. I can't see that Mr H has provided any engineering evidence to counter this. So I think Advantage has justified its decision not to pay for further repairs.

Mr H said that he had been caused trouble and upset during the claim and he wanted Advantage to pay him £300 compensation for this. Our Investigator recommended that Advantage should pay Mr H £100 further compensation for the time he had spent resolving the claim and for the impact this had had on his physical and mental health.

Advantage wasn't responsible for the accident and the subsequent impact on Mr H. It was responsible for handling his claim. I can see that Mr H contacted Advantage often to pursue further repairs and to make a complaint. But I think some inconvenience is to be expected when making a claim.

I acknowledge that Advantage paid Mr H for his loss of use whilst he was without a courtesy car. However, I think Mr H was put to unnecessary trouble collecting and scanning in his travel receipts. This took him some time to do. And I think Advantage could have better managed his expectation of having these reimbursed. So I agree with the Investigator that Advantage should pay Mr H a further £100 compensation for the trouble and upset this caused.

Putting things right

I require Advantage Insurance Company Limited to pay Mr H £100 further compensation (£175 in total) for the distress and inconvenience caused by its handling of his claim.

My final decision

My final decision is that I uphold this complaint. I require Advantage Insurance Company Limited to carry out the redress set out above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr H to accept or reject my decision before 5 December 2022.

Phillip Berechree
Ombudsman