

## **The complaint**

Mr A complains Advantage Insurance Company Limited (Advantage) unfairly accepted liability after he made a claim on his motor insurance policy. In addition he complains that the courtesy car that was provided to him was cancelled without notification from Advantage.

There are several parties and representatives of Advantage involved throughout the complaint but for the purposes of this complaint I'm only going to refer to Advantage.

## **What happened**

On 11 February 2022 Mr A collided with a stationary vehicle when he was driving at low speed. Mr A said the stationary vehicle was parked on double yellow lines and his view had been obstructed. He made a claim on his motor insurance policy that he held with Advantage.

Advantage accepted the claim and organised for the repairs to be completed by its approved repairer. Advantage's approved repairer could not complete the repairs and offer a replacement car for the duration of the repairs immediately, so Advantage organised for a courtesy car to be provided as Mr A's car was not driveable.

Due to supply issues a courtesy car was not provided within two working days as expected. A courtesy car was provided by an alternative supplier the next day. Advantage accepted there was a delay of one day in providing Mr A with a vehicle and apologised to him.

Advantage admitted liability to the third-party and informed Mr A of its decision. Mr A was unhappy that this was done without discussion with him. He said he did not accept liability as the third-party vehicle was parked illegally.

On 19 April 2022 Advantage were notified that the required repairs to Mr A's car had not been started. The repair garage said Mr A had not responded to its request to book the car in. Advantage then told its approved car hire supplier to collect the courtesy car from Mr A.

The hire car company told Mr A that the courtesy car had been ended by Advantage, but Mr A refused to return it. The car hire company said Mr A was liable for the hire cost after the 19 April 2022 and on 21 April 2022 it charged £35.58 to the payment card Mr A had left with it. Mr A then blocked his payment card so it could not charge anything further. The courtesy car was removed from Mr A on 27 April 2022.

Mr A made a further complaint to Advantage that the courtesy car supplied to him was taken back. He said the repairs to his car had not been completed so it should not be returned as Advantage had agreed to supply him with a courtesy car until his own car was repaired.

Advantage said it would not supply another courtesy car until his car was with the repairer.

As Mr A was not happy with Advantage, he brought the complaint to our service.

Our investigator partially upheld the complaint. They looked into the case and said it was not unfair to record the claim as a fault claim as this was in line with the terms of the policy. But they said there were some failings in the service that Mr A received. They said Advantage should have communicated it was stopping the courtesy car hire to allow him time to make other arrangements. They said Advantage should pay Mr A £50 compensation.

As both Mr A and Advantage are unhappy with our investigator's view the complaint has been brought to me for a final decision to be made.

### **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.

#### ***Liability***

I looked at the terms and conditions of the policy and on page 33 it says;

##### ***"1. Making Claims***

***Your insurer has right to:***

- ***Take over and conduct the defence or settlement of any claim***
- ***Take legal action over any claim."***

This confirms that Advantage are able to settle the claim as it sees fit.

However the decision should be fair, so I have looked at the evidence provided to see if Advantage decided fairly to accept liability for this incident.

Advantage said it accepted liability for this incident as it was 100% sure there was no way it would be able to recover any claims costs from the insurer of the parked vehicle. It said it accepted the third-party may have been committing a traffic offence based on where they were parked however because they were stationary, and Mr A was moving it would be held liable for the collision. And if it had proceeded to trial it would have lost. It confirmed this is what it would do for any of its customers in these circumstances.

I think it was fair for Advantage to record this accident as fault against Mr A's policy based on the evidence available to it. And therefore I do not uphold this part of his complaint.

#### ***Courtesy car***

On page 12 of the terms and conditions of the policy it says;

##### ***"About the replacement car service***

- ***The replacement car service is only available if you use your Insurer's Nominated Repairer***
- ***The replacement car will be provided by your Insurer's Nominated Repairer***
- ***The service is only available while your Car is being repaired***
- ***You'll be responsible for the replacement car and for any charges or fines incurred during the time you use it, including fuel costs, parking fines, motoring offences, fixed penalties and any congestion or toll charges."***

And on page 19 of the policy document outlines what isn't covered under this section as follows;.

##### ***"What isn't covered under sections 1 and 2***

***You're not covered for:***

- ***Loss of use of your Car (if you're out of pocket because you can't use your Car, including***

*the cost of hiring another vehicle)”*

As per the terms and conditions of the policy detailed above, Advantage was not obliged to offer a replacement car prior to the start of the repairs. But because there was a delay with Advantage’s approved repair garage, I saw that it offered to provide Mr A with a courtesy car until its approved repair garage was able to conduct the repairs and offer a replacement car. This was outside the terms of the policy.

Advantage said it was notified that Mr A had not responded to the repair garage’s request to organise the repairs to his damaged car. Advantage therefore decided to end the courtesy car hire until Mr A arranged for the damaged car to be brought into the repair garage.

Mr A said the repair garage had not been in touch to organise the repairs. But I have seen evidence that it did get in touch at least once to his recorded contact number

I have considered the time from the start of the courtesy car hire to it being taken back and this was a period of two months. During this time there is no evidence to show that Mr A contacted Advantage or the repair garage to find out what was happening with the repairs on his car.

I acknowledge that Advantage did tell Mr A he could have the courtesy car as long as he needed it but I think it was fair to take it back as it had done more than what’s required within the policy and there is no evidence of Mr A making any attempts to progress the repairs himself.

I therefore do not uphold this part of Mr A’s complaint.

### ***Customer Service***

I saw it was the car hire company that contacted Mr A by email on 19 April 2022 to end the courtesy car hire the next day. Mr A said he did not see this email until 21 April 2022, and he called Advantage straight away.

Advantage agreed to look into Mr A’s case within 24 hours, but Mr A called it back before this time had elapsed, because the car hire company had charged his card for the unauthorised hire. Mr A said Advantage promised to call him back a number of times that day, but he didn’t receive a call back.

Advantage acknowledged it could be best practice to call Mr A to inform him it had stopped courtesy car hire because he had not organised repairs. But it said there was no guarantee he would have picked up the call. It also said its approved car hire company had notified him exactly the same way as it would have done so it would be duplicated action,.

I have taken in to consideration that the courtesy car hire was not part of the policy coverage, however I think that Advantage should have made a call to Mr A and in addition to informing him the courtesy car hire was being stopped, it should also have been clear about the reasons it was stopping it. If he hadn’t answered the call it could have left a message for him and followed up with a letter. In this case the approved car hire company only informed Mr A the courtesy car was to be returned and not the reasons why.

I therefore uphold this part of Mr A’s complaint and require Advantage to pay Mr A £50 for the poor service received and lack of communication when the courtesy car was being taken back.

**My final decision**

For the reasons I have given I partially uphold this complaint.

I require Advantage Insurance Company Limited to pay Mr A £50 for the poor communication when it ended the courtesy car hire.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr A to accept or reject my decision before 28 December 2022.

Sally-Ann Harding  
**Ombudsman**