

The complaint

Mr G complains about how Advantage Insurance Company Ltd (“Advantage”) handled a claim under his motor insurance policy.

What happened

Mr G had a motor insurance policy with Advantage.

On 17 November 2021 Mr G was involved in a collision with a third-party vehicle and he made a claim from Advantage on 29 November.

Mr G chose to use his own repairer, so Advantage asked him to ask his repairer to send it a quote for the work that needed doing.

It took until 21 December for Advantage to receive the quote in a format it could use.

Advantage authorised the repairs on 19 January 2022 but Mr G chased Advantage on 31 January because the garage hadn’t received it. This was resolved soon afterwards.

Mr G had sent Advantage video footage of the collision when he originally reported it. Advantage didn’t realise this and asked for it again. It sent the footage to the third-party insurer in April, but the third-party insurer said it didn’t receive it. Advantage didn’t follow it up.

The third party continued to deny liability for the accident.

Mr G continued to ask Advantage for updates and complained about its service.

In its final response, Advantage said it thought it should have contacted Mr G more frequently during his claim and he’d sometimes not heard from it for over a month at a time. It recognised it’d made a mistake in not chasing the third-party insurer about the footage it had sent. It paid Mr G £50 for his inconvenience.

Mr G remained unhappy and brought his complaint to this service. Our investigator looked into it and upheld it. He thought Advantage had caused delays during the claim and it hadn’t updated Mr G. He thought Advantage should pay a total of £200 compensation for its poor service.

Advantage didn’t agree with the view. It said it wouldn’t contact the third-party insurer until Mr G’s repairs were complete. As the third-party insurer continued to deny liability, Advantage had continued to handle Mr G’s claim against the third party.

Because Advantage didn’t agree with the view, it has been passed to me to make a final 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.

I've thought carefully about Mr G's complaint and about how it can be split into two distinct parts. These are the repairs to his own car, and how liability has been determined. I will deal with these separately:

Repairs

I can see from the file that Mr G told Advantage about the collision about 12 days after it had happened. There was a series of communications between Mr G, his repairer and Advantage to obtain the quote for repairs in the correct format – on a letterhead and viewable by Advantage.

I understand Mr G didn't find this delay ideal. I can see from the file that Advantage says it had discussed with him about using its own approved repairer network rather than his own choice. I've not listened to the conversations between Mr G and Advantage at this time, but I would expect them to have discussed speed and ease of the claim. It's been Mr G's choice to use his own repairer to fix his damage and this repairer might not have worked with Advantage before and may not have been used to its procedures and processes.

Once Advantage had received the quote for repair works in the correct format, it took about four more weeks for the work to be authorised and there was a further two-week delay sending the authority, and because the garage then couldn't find the email authorising it, despite Advantage having already sent it.

From the file, I can't see when work was completed on Mr G's car, but I know that the invoice was received by Advantage on 1 March which is usually sent once work is complete.

I've thought about the timescales it took to repair Mr G's car and I think it's fair to say that the garage was waiting for authority for about six weeks, over the festive period. It seems to me this is a longer time than what might be ideal and given the size of the claim, I think Advantage should have responded faster and sent authorisation to Mr G's garage quicker than it did.

But the choice of the garage being outside Advantage's approved network was Mr G's so I don't think it's fair to say Advantage is responsible for the delays getting the quote, or the initial 12 day delay in reporting the claim.

I can't see evidence that Advantage was pro-actively managing the claim during this period and most of the work in moving it forwards seems to have been due to Mr G's efforts.

Liability

It's not the role of this service to decide who may be responsible for a collision as that's the role of the courts. Instead, we look at whether the insurer has acted fairly and reasonably and in line with its terms and conditions when it has been handling the claim.

Mr G's claim against the third party has continued and I can see from the file that it was proceeding to litigation.

Advantage has told this service that its process is to wait until it's paid its own claim (in this case, for Mr G's own damage) before it contacts the third-party insurer and recovers the payment from it. I don't think this is unreasonable.

I can see that Mr G was actively involved in the claim and was regularly chasing up

Advantage for progress. And I can also see that Advantage wasn't keeping him up to date.

In later correspondence, I can see that Mr G commented that he was going to take legal action against the third party, and he was thinking of asking Advantage to change its legal team.

Advantage has said that it would expect responses take about 4-6 weeks each time information is sent to a third-party insurer. I've looked at the timeline of events and this claim has taken a similar amount of time to progress when I compare it to other cases of disputed liability. I agree with Mr G that this isn't ideal, but I agree with Advantage's response that it feels there was little else it could do to speed up the process.

That said, I do think Advantage should have been more proactive in moving the claim forward and I can see from its final response that it agreed it should have done more to chase up the issue with the footage.

I think it would have been useful if Advantage had taken a much more pro-active stance with Mr G during his claim and the legal process. It is the expert in these matters and I think it could have done much more to liaise with Mr G and tell him about what was going to happen.

Compensation

Advantage has already paid Mr G £50 compensation for its service in not keeping him up to date during his claim. I can see that our investigator has increased this to £200 which Advantage has disagreed with. When it disagreed, Advantage commented that it wanted to know what this service would have expected it to have done differently.

I've thought about this carefully. Mr G's claim seems to have been affected by a series of small delays and errors, meaning that Mr G has repeatedly needed to chase up Advantage to get progress or simply to get an update about his claim. And this has taken place across 2-3 months concerning the repair; and continued for much longer about the question of liability.

It seems to me that Advantage could have taken a much more pro-active stance, particularly with the question of liability, which would have meant Mr G wasn't feeling like he had to check up on progress so often, with the frustration I can see it caused him.

I've thought about the impact of this on Mr G and I think £200 is the suitable level of compensation to award him for his inconvenience across both parts of his claim. I'm aware £50 has already been paid.

My final decision

For the reasons set out above, my final decision is that I uphold this complaint. I direct Advantage Insurance Company Limited to pay Mr G a total of £200 compensation for his distress and inconvenience from its poor service. I'm aware £50 has already been paid, so this can be deducted.

Advantage Insurance Company Limited must pay the amount within 28 days of the date on which we tell it Mr G accepts my final decision. If it pays later than this, it must also pay interest on the amount from the date of my final decision to the date of payment at 8% a year simple.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr G to accept or

reject my decision before 17 April 2023.

Richard Sowden
Ombudsman