

The complaint

Mr W complains that Advantage Insurance Company Limited mishandled his claim on a motor insurance policy.

What happened

Mr W lives in a county on the edge of the national road network.

The subject matter of the claim and the complaint is a car with a “15” registration plate.

Mr W had the car insured for the year from early July 2022, on a comprehensive policy branded with the name of an insurance intermediary. Advantage was the insurance company responsible for dealing with any claim.

The policy covered Mr W as policyholder. It also covered his parents as named drivers.

Unfortunately, in late August 2022, the car was damaged in an accident. Mr W made a claim to Advantage.

He later complained to Advantage about delay and about the time he was left without a courtesy vehicle.

In a telephone call on 15 September 2022, Mr W made a further complaint that the insurer was responsible for mishandling the car after the accident and causing further damage to it.

By a final response dated 27 September 2022, Advantage responded to the complaint about delay and about the time without a courtesy vehicle. It upheld the complaint about delay and said it was sending a cheque for £100.00 compensation as an apology. Advantage said it was providing a hire car while it was waiting for a report on Mr W's car.

In late September 2022, Advantage said the car was a total loss. Mr W brought his complaint to us without delay.

Our investigator didn't recommend that the complaint should be upheld. He thought that Advantage had dealt with the claim fairly.

Mr W disagreed with the investigator's opinion. He asked for an ombudsman to review the complaint. He says, in summary, that:

- After the accident, the car was obstructing a highway. It took five hours for the car to be recovered.
- Despite the insurer being told that the vehicle was not driveable or steerable, an incorrect vehicle was used to recover the vehicle.
- Advantage didn't have any approved garages in the county. This was the main contributor to delay in placing the car with a garage and making a courtesy car available.

- The possibility of the vehicle being a total loss was not advised until 14 September 2022 and that was based on a report from the storage facility and not an engineer's inspection. This was partially as a result of the cost of storing the car which is directly attributable to the insurer not having a registered garage in the county.
- Advantage then said the car would be delivered to a local garage and a hire car would be arranged.
- The car was transported to the garage again on an incorrect vehicle. The delivery driver was witnessed lifting the vehicle by the driver side rear wheel arch and dropping it back down on the transporter to reposition it. Winching the car was causing further damage to the front wheels and steering mechanism. This happened several times and assisted by five garage staff to keep the vehicle on the transporter ramp as it was winched down. This caused further extensive and visible damage as the front passenger side wheel was pushed into the body work and sill, wear marks were visible on all 4 tyres resulting from the car being dragged, and the rear driver's side wheel arch (being part of the monocoque chassis) dented in several places. Photographic evidence of this further damage is available. Other non-visible damage could also have been caused by the vehicle being dragged on and off transporters incorrectly.
- The further damage to the car while being stored and transported rendered it a total loss and not the accident.
- The hire car was kept until Advantage's vehicle salvage company completed their report.
- He is seeking an increased level of compensation for:
 1. Being left without a vehicle for 3 weeks in a rural location;
 2. The many telephone calls and personal time taken to unsuccessfully pursue a satisfactory level of customer service;
 3. The inconvenience to him and his parents as he had to borrow their car to get to work.

Our investigator still didn't recommend that the complaint should be upheld. He said that there wasn't sufficient evidence to prove that the car was written off as a result of the transit process.

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 Financial Ombudsman Service deals with a consumer's complaint against a regulated financial firm. Where it's a complaint about a claim on an insurance policy, we treat it as a complaint against the insurance company that was responsible for dealing with the claim.

Where we uphold a complaint about an unfair act or omission, we look at the impact on the consumer and we direct compensation or other redress to try to put that right. We assess compensation by reference to the actual impact rather than what might've happened.

The impact may include financial loss. It may also include distress and inconvenience, our approach to which is set out on our website.

Advantage's policy terms said that it would provide a replacement vehicle while one of its approved repairers was repairing the insured car – but not in the event that the insured car was a total loss.

I've seen a vehicle check that says that the car passed an MOT test in early August 2022 with a recorded mileage of about 43,000.

Advantage is entitled to choose its approved repairers. I can't say that it treated Mr W unfairly or unreasonably by not having an approved repairer in his county.

From what he's told us, Mr W suffers poor mental health. In my view, the accident and the need to make a claim were bound to cause Mr W some distress and inconvenience. That included the need to make at least some telephone calls.

The accident caused the car to become undriveable. So I don't hold Advantage at fault for taking some hours to recover the damaged car. Mr W hasn't provided enough detail or evidence to show that the recovery operation caused further damage to the car.

At first Advantage thought the car was repairable. If that had been the case then Advantage should've provided a courtesy car.

From the claim notes, I can see that Advantage experienced difficulty and delay in arranging a garage to inspect the car. From what I've seen, I find it likely that all the garages were busy. Mr W hasn't provided enough evidence to support his view that no garage would accept his car and provide a courtesy car because of where he lived.

Advantage didn't provide a courtesy car to Mr W until after mid-September 2022. That was when its engineer reviewed details of the damage and thought that the car was likely to be a total loss, but called for an inspection of the damaged car.

From that, I find it more likely than not that the car was already so damaged that Advantage could reasonably treat it as a total loss. I consider that at least part of the reason for inspection was to assess the pre-accident condition and value of the car.

Mr W has given good detail of the rough handling of the damaged car when it arrived at the local garage. However, there isn't enough engineering evidence to support his view that the further damage caused the car to go from repairable to a total loss.

The inspection took place in late September 2022 and confirmed that the car was a total loss.

So the process took about a month. During that month, Mr W continued to bear the cost of the insurance and road tax for a car he couldn't drive. However, I consider that this was part of the cost of his ownership of the car. I don't find it fair and reasonable to direct Advantage to pay compensation for such costs.

For about three weeks of that month, Mr W had the use of his parents' car. I accept that this was inconvenient for them, and their car accumulated more mileage.

However, Advantage provided Mr W with a courtesy car for a week or two. Overall, I'm satisfied that his car was a total loss and Advantage provided a courtesy car for at least as long as the policy provided. So I don't find it fair and reasonable to direct Advantage to pay compensation for not providing a courtesy car for a longer period.

I've seen evidence that Advantage was responsible for shortcomings in its communication. The impact of that on Mr W was that he felt ignored and he had to chase for progress and updates. I accept that he spent more than ten hours on telephone calls. But I consider that some of that was inevitable. In any event, I don't find it fair and reasonable to direct Advantage to pay him an hourly rate for such calls.

Mr W hasn't provided enough medical evidence to support his view that Advantage caused a worsening of his health. Nevertheless I accept that he and his family had to work hard to protect his health and his ability to work and to have a social life.

Advantage tried to put things right by offering £100.00. So I've thought about what I would've found it fair to direct Advantage to pay if it hadn't made any offer. I've concluded that – for the extra distress and inconvenience Advantage's shortcomings caused Mr W at an already difficult time - £100.00 is fair and reasonable in line with our usual approach. So I don't find it fair and reasonable to direct Advantage to pay Mr W any more.

My final decision

For the reasons I've explained, my final decision is that I don't uphold this complaint. I don't direct Advantage Insurance Company Limited to do any more in response to this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr W to accept or reject my decision before 9 June 2023.

Christopher Gilbert

Ombudsman