

The complaint

Mr L complains about Advantage Insurance Company Limited's handling of his motor insurance claim.

Advantage is the underwriter of this policy i.e. the insurer. Part of this complaint concerns the actions of its agent. As Advantage has accepted it is accountable for the actions of the agent, in my decision, any reference to Advantage includes the actions of the agent.

What happened

In December 2020, Mr L's car was damaged by another vehicle in a car park, while he was shopping. Witnesses to the incident told him the driver of the other vehicle had left the scene. Mr L asked the manager of a shop about CCTV footage and was advised to call the car park. Mr L says he tried to call the car park, but the line was closed.

The next day, Mr L informed Advantage of the incident and he was advised to report it to the police. Advantage instructed its agent ("V") to manage the repairs. It says it asked Mr L to check where to request the CCTV footage from (such as the retail park, parking management or the police) but the information wasn't provided.

In mid-2022, Mr L raised a complaint with Advantage. He said he'd been told that Advantage had paid out on a claim made by a third party. He hadn't been made aware of this until he'd renewed his insurance and he believed it had impacted his premiums.

Advantage said it wasn't able to recover the costs of handling Mr L's repairs because it had no way of recovering them. It said Mr L hadn't provided it with information it needed to request CCTV footage. It said his claim had been closed as non-recoverable which had the same impact as a fault claim would.

Mr L remained unhappy, so he asked our service to consider his complaint. Our investigator looked into the matter and recommended Advantage pay Mr L £75 for distress and inconvenience.

The investigator thought Advantage might have been a bit more proactive in obtaining the CCTV footage, but she didn't think it would likely have made a difference to the claim. She concluded that the claim amount showing on the policy was due to an administrative error. Advantage had paid their approved repairer for repairs that hadn't been carried out and was waiting for reimbursement.

The investigator acknowledged that Advantage was waiting to be reimbursed for the amount it had paid before updating the claim, but she thought it should update it straight away.

Advantage accepted our investigator's outcome and agreed to issue the compensation she'd recommended once Mr L's complaint was closed.

Mr L disagreed with our investigator's outcome. He didn't think £75 compensation was enough to put things right. He said he no longer required his car to be fixed and he was

unhappy with the premiums he was being charged. So, his complaint has been passed to me to decide.

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.

Having done so, I've decided to uphold Mr L's complaint in part. I'll explain why.

Mr L says there were cameras near his car when it was damaged. He's unhappy that Advantage didn't try to get hold of CCTV footage.

I've listened to a recording of Mr L informing Advantage of the incident in September 2020. In this call, Advantage asked Mr L to let it know where it could request the CCTV footage from. Mr L asked if it would be worth him contacting the police and Advantage told him he could ask them to assist him. The agent also suggested he ask the security of the retail park where the incident took place where CCTV could be requested. The agent said they would be able to tell Mr L which office to write to so Advantage could ask them to give it a copy.

Advantage says Mr L didn't provide it with the information it needed to request the footage. I can see that Mr L reported the incident to the police, but I haven't seen any evidence to suggest that he provided Advantage with contact details to request CCTV footage. So, I don't think it would be fair to hold Advantage responsible for CCTV footage not being obtained.

Mr L also raised concerns about a payment Advantage recorded on the claim. He says he was told Advantage paid out around £2,000 to the person who had smashed his car.

I don't have anything to show me what Advantage might have said to Mr L about a payment. But Advantage says it hasn't made any payments to a third party. So, I think there was likely to have been some sort of miscommunication or misunderstanding regarding this.

In its response to Mr L's complaint, Advantage said it had incurred costs from handling his repairs that had been funded from his policy. However, after Mr L brought his complaint to our service, Advantage says it reviewed the claim again and found that there had been an administrative error. It says its agent, V, had sent an invoice based on an estimate and Mr L had not gone ahead with the repairs.

Advantage says it was expecting to be reimbursed for the amount it had paid out and would update Mr L's claim history once it had received it back. It said Mr L should speak to its claims team if he would like his car to be fixed. But CCTV would no longer be available so the claim would be recorded as a fault claim.

Mr L has told us he no longer wants to claim for repairs to his car. His main concern appears to be the increase in his premiums.

Advantage says there were no payments to a third party and the claim costs were as a result of an administrative error. It told us that once it had updated the claim, it would send a document to Mr L which he could forward to his insurer to update his claim history and adjust the premium accordingly.

From what it's said, I think Advantage's administrative error is likely to have had an impact on Mr L's premiums. So, I think Advantage should update Mr L's claims history as soon as possible, if it hasn't already done so. I understand that Mr L's current motor insurance cover

is with Advantage, so I'd expect any premium adjustment to happen once Advantage has updated its records.

Mr L was understandably concerned to find there was a cost showing on his claim when he hadn't gone ahead with the repairs. It seems that Advantage didn't recognise what had gone wrong when it looked into Mr L's complaint, which meant that it didn't explain what had happened or take steps to correct the error. So, I think it would be fair for Advantage to pay Mr L £75 for the distress and inconvenience he experienced as a result.

Putting things right

Advantage should:

- Remove the incorrect claim cost (if it hasn't already done so) and update its records and any central database accordingly.
- Send Mr L a document confirming the update.
- Pay Mr L £75 for distress and inconvenience.

My final decision

For the reasons I've explained, I uphold Mr L's complaint and direct Advantage Insurance Company Limited to put things right by doing what I've said above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr L to accept or reject my decision before 20 April 2023.

Anne Muscroft
Ombudsman