

The complaint

Mr Y complains about the delays that Advantage Insurance Company Limited caused in making repairs to his car following a claim made on his motor insurance policy. He wants his car repaired.

What happened

Mr Y was involved in an incident, and he made a claim on his policy. It was six months before Advantage took the car for repairs after Mr Y told Advantage that the car had failed its MOT. Mr Y was able to drive his car during this time. But he was unhappy with the delay in repairs and that he wasn't provided with a courtesy car. He also thought the failed MOT would affect his car's value. Advantage paid Mr Y £150 compensation for the delays.

Our Investigator recommended that the complaint should be upheld in part. He thought Mr Y was still mobile until the car failed its MOT, so he didn't think Advantage should compensate him for loss of use until after this date. But he thought there had then been six days after the failed MOT when Mr Y was without a courtesy car, and he thought Advantage should pay him for loss of use at £10 a day for this period. He couldn't say that the failed MOT would affect the car's value. But he thought Advantage should increase its compensation for stress caused by the delays by a further £150.

Advantage agreed to do this. But Mr Y said he had raised concerns about the roadworthiness of his car a month after the incident and Advantage had said it would look into providing a courtesy car, but it didn't do this. He said it had refused to allow him to use his own garage for repairs. He thought the failed MOT would affect the car's value. He thought further compensation should be paid for the stress caused and the depreciation of the car's value.

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 can understand that Mr Y felt frustrated that it took so long for his car to be collected for repairs. Advantage said that the delay was due to the approved repairer not being able to provide an automatic replacement car for Mr Y. But when the car was deemed undriveable following the MOT failure, it was able to locate an alternative repairer which provided a replacement car six days later.

Advantage said Mr Y's losses had been mitigated because his car was driveable in the meantime and so he was kept mobile. But Mr Y had told Advantage that the car was making a funny noise a month after the accident. It noted that the car was undrivable and told the repairer to prioritise the repairs, but this didn't hasten matters. So Mr Y had the stress of driving an unrepaired car with doubts about its roadworthiness until the failed MOT finally prompted Advantage to locate another repairer which could do the work.

Advantage said Mr Y had declined to use his own repairer. But Mr Y said Advantage had refused to let him do this. I don't doubt what Mr Y has told us. But looking at Advantage's file, I can see that the claim handler told Mr Y about the process for using his own repairer.

But he was unhappy with this as he felt it was unfair that he would have to do the process from the start. So I can't be certain what happened in this call.

But I think the delays in making the repairs was excessive and I think Advantage could have looked for an alternative repairer sooner. The consequence for Mr Y was that he had to make long calls and send emails to progress his claim, he was asked to pay for a second MOT for his car following the repairs, he was without a car for six days, and he was caused stress over a five month period.

When a business makes a mistake, as Advantage accepts it has done here, we expect it to restore the consumer's position, as far as it's able to do so. And we also consider the impact the error had on the consumer.

From what I can see, the damage to the car was to the bumper. And Mr Y was able to drive his car until the MOT expired. Advantage then prioritised the repairs when the car was deemed undrivable after the MOT expired. Mr Y has told us his car was then repaired. Advantage provided Mr Y with a suitable courtesy car at this time, except for the six days until the car was collected. So I think it should reasonably pay him for loss of use during this six days at our standard rate of £10 a day.

Mr Y was asked to pay for a follow-up MOT which cost £50 plus VAT. The failures were to do with a lamp on the front, which may have been due to the incident. He wouldn't have incurred this cost if Advantage had dealt with his repairs sooner. But Mr Y has told us that the repairer waived this charge. And I think that was fair and reasonable.

Mr Y was worried that the MOT failure would affect the car's future re-sale value. But I can't say that this would be the case once the fault was rectified.

Advantage has agreed to increase its award of compensation for the trouble and stress the delays caused Mr Y over a period of four months to £300. I think that's in keeping with our published guidance for the level of impact its errors caused. And so I'm satisfied that this would be fair and reasonable.

Putting things right

I require Advantage Insurance Company Limited to do the following, as it's already agreed to do:

1. Pay Mr Y £60 compensation for six days' loss of use of a car.
2. Pay Mr Y £150 further compensation (£300 in total) for the distress and inconvenience caused by its delays in dealing with his repairs.

My final decision

For the reasons given above, my final decision is that I uphold this complaint in part. I require Advantage Insurance Company Limited to carry out the redress set out above, as it's already agreed to do.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr Y to accept or reject my decision before 22 August 2023.

Phillip Berechree
Ombudsman