

The complaint

Mr F complains about how Advantage Insurance Company Limited (“Advantage”) dealt with a claim he made on his motor insurance policy following an accident that wasn’t his fault.

Any reference to Advantage includes its agents.

What happened

Mr F has motor insurance with Advantage which runs from November 2021 to November 2022.

Mr F says his car was damaged by a third party following an accident at the beginning of March. The car was initially fine to drive but over the week it developed an ‘angry noise’ and so Mr F reported it to his insurer.

Advantage told Mr F to take his car to the agent handling the car repairs, who I’ll refer to as E. Mr F says his car was swapped for a rental one and from then his car was either with E or the garage.

At the end of April he contacted his insurer for an update. The repair garage subsequently contacted him and asked him to book his car in for a repair since they hadn’t received it. But Mr F had provided E with his car in March.

Mr F says his car took a further six weeks to repair and so he was without his car for three months in total. Mr F was told he could collect his vehicle through an online repair portal at the end of June.

Mr F says he moved house in mid-June and ensured he notified his insurer, the repairing garage, and E of the move. Mr F says E contacted him to say he would need to pay his policy excess and collect his car, earlier than Mr F had arranged. E offered to deliver his car to his home address, but that was his old address; and he would need to return the rental car at the same time. So Mr F had to make arrangements to collect the car earlier than he had expected.

When he received his vehicle he realised the noise that had developed after the accident was still there. Mr F took his car for its annual service at the beginning of July and made Advantage aware of the issue with the sound.

The garage that carried out the service told him the sound was due to a dislodged wheel bearing which meant the car was not safe to drive. So Mr F arranged for the necessary repair to be carried out and asked the repairing garage to do a report of the issue so he could send it to Advantage.

Mr F says Advantage didn’t accept the dislodged bearing was due to the accident since the car had no exterior damage to that part of the vehicle.

Mr F says he wants Advantage to pay his costs. He says the cost of repairing his car was approximately £1000, plus the time it took to call and chase the various agents involved.

Mr F complained to his insurer about the way his claim was dealt with. Advantage accepted the repair took longer than it should have. It said this was due, in part, to a delay with parts. But there was some confusion about the confirmation of the repair. As a result it upheld the complaint and sent Mr F a cheque for £100 by way of compensation. In respect of the outstanding repair it said based on the evidence it didn't agree the repair was accident related.

Mr F wasn't happy with the response received from Advantage so he referred the complaint to this service. Our investigator looked into things for him. She said there had been significant avoidable delays in repairing Mr F's car. And to acknowledge this she thought the compensation should be increased to £200 for the distress and inconvenience caused. In respect of the additional repairs to Mr F's car the investigator said in the absence of any independent evidence to say for sure the wheel bearing issue was definitely caused by the accident she wouldn't be able to ask Advantage to do anything further in this regard.

Mr F didn't agree and so the 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 reached broadly the same conclusions as our investigator. I'll explain why.

I'd like to assure Mr F that I've considered all of his points, including what he's said in response to our investigator's view via his representative. I've focused on what I think is most relevant to the outcome of this complaint, rather than addressing each point individually.

Claim delays

Mr F feels Advantage didn't communicate with him as he would have expected and there were periods of delay where the repairs weren't being progressed. I have reviewed the information provided by both sides. I can see Mr F had to chase Advantage on more than a few occasions, and there were times when he was told things would happen that then didn't; such as arranging to collect his car on a particular date.

Advantage accepted there were periods of delay during the repair process and I have discussed this further below.

Wheel bearing

Mr F believes the damage to his wheel bearing was related to the incident in which the side of his car was hit by a third party.

When looking at complaints relating to claims for damage to a vehicle our service can't determine how the damage occurred. Instead what we look at is the information the insurance company relied on to make its decision and whether it treated the customer fairly in doing so.

In this case Mr F's car was repaired by the repairing garage and the work it carried out was specified and agreed by Advantage. Advantage reviewed the report provided by Mr F. It

said, *"there was no indication of wheel damage, no damage to panels over either wheel, no geometry selected or required, images do show old damage to near side rear wheel, near side front wheel bearing reported, from images we have near side front wheel has no visible damage or contact. This would indicate wear and tear, bearings are a wear and tear item, and are often picked up on an MOT. We have no evidence to support this as being related to this incident."* The repairing garage didn't have any approval to repair the wheel bearing. All accident-related repairs were authorised and carried out.

Advantage sent Mr F's report to its own engineers. But the engineers didn't agree the dislodged bearing was due to the accident.

Mr F provided evidence from the garage that carried out his service and repairs. The report says, *"investigated noise from n/s. wheel bearing noise and rough on rotation. Stripped and inspected bearing, no signs of any corrosion, bearing possibly dislodged due to imp."* The fact there was an issue with the wheel bearing is not in dispute. According to Advantage's engineer the damage to the wheel bearing was not due to the accident. And Mr F's report only says the bearing *'possibility'* dislodged due to the accident.

Mr F has said Advantage should have been aware of the damaged wheel bearing but failed to address it when his car was being repaired. But it isn't the insurer's responsibility to repair all issues identified on the vehicle. Its responsibility is limited to repairing the accident-related damage only. The terms and conditions of Mr F's policy are clear the insurer will cover the costs of repairing damage caused by an accident only. Since Advantage said the wheel bearing wasn't accident-related its repair wasn't covered by the policy.

I can see Mr F believes Advantage shouldn't have turned down the repair to the wheel bearing. But Advantage have declined that part of the claim because the wheel bearing is a wear and tear issue and is unlikely to have been caused by the accident. And since it's not caused by the accident it isn't covered by the policy.

I believe Advantage made a fair decision not to cover the damage to the wheel bearing and is entitled to rely on the information provided to it by its engineer.

Having thought about this carefully I'm not persuaded Mr F has demonstrated that it's more likely than not his wheel bearing was damaged in the accident. And thinking more widely about what is fair and reasonable in all the circumstances I don't think it would be fair to compel Advantage to pay for that repair on Mr F's car.

Putting things right

Having reviewed all the documentation it is clear to me an award is due for the distress this whole episode caused Mr F. However dealing with an insurance claim involving such damage is inevitably inconvenient and taking time off work or making phone calls and responding to emails is necessary for a lot of cases like this. And I wouldn't normally award compensation for what would be considered the normal handling of an insurance claim.

I can see there has been some confusion over where Mr F's car was, and who should notify the repairing garage that the car had been dropped off for repair, and when Mr F could collect his car once the repairs were completed. I can see Mr F would have been frustrated at having to chase Advantage for updates and information. I think this was unfortunate but I'm pleased Advantage recognised it could have provided a more proactive and transparent process and offered Mr F £100 for the distress and inconvenience caused. Our investigator felt £200 was more appropriate in the circumstances of the claim. And I agree.

I know Mr F will be disappointed with my decision. Advantage has accepted there were some delays in progressing Mr F's car repairs. But the handling of the repairs themselves is what I would have expected. So I can't fairly ask Advantage to do anything more in respect of the those.

Putting things right

To compensate Mr F for the delays in dealing with the claim Advantage should pay £200 in compensation. I say this because it's not clear why there were such delays after Mr F had dropped his car off in March to when the car was picked up for repair. And it's clear to me the impact that this has had on him; particular stress and upset to Mr F. I'm therefore satisfied £200 is fair and reasonable compensation for this.

My final decision

For the reasons explained above I am upholding this complaint and direct Advantage Insurance Company Limited to pay Mr F £200 in resolution of his complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr F to accept or reject my decision before 15 June 2023.

Kiran Clair
Ombudsman