

The complaint

Mr A is unhappy with the service Advantage Insurance Company Limited (Advantage) provided when he made a claim under his motor insurance policy.

What happened

Mr A's vehicle was stolen so he made a claim under his motor insurance policy. He had some concerns with the initial handling of the claim, and this was considered under a separate reference by our service. Advantage issued a final response on 23 May 2023 and the complaint in relation to this was considered by an ombudsman. He issued a final decision which covered Advantage's actions up to that point.

Mr A raised his further concerns with Advantage, and these were considered under a new complaint from 24 May 2023, they issued their final response in relation to these concerns on 13 November 2023. I therefore won't be commenting on anything before 24 May 2023.

On 24 May 2023 Mr A contacted Advantage to let them know the police had recovered his vehicle. He was keen to speed up the process, but Advantage advised they were unable to speed up the police forensic inspection. Mr A also enquired about a courtesy car but was informed it wasn't included under the policy. He called back some days later to advise his vehicle was ready to be picked up. Advantage asked Mr A to provide the full address so they could arrange collection. Once they received this information on 5 June 2023, they instructed a recovery agent.

Mr A called Advantage on 8 June 2023, unhappy with the time it was taking. Advantage advised they were waiting for the police to respond to them and for the report from their engineer. They contacted the police that day and left a message for a call back. On 12 June 2023 Mr A called for an update. Advantage advised they were waiting for the engineer's report before they could confirm if the vehicle was a total loss. They also asked Mr A to contact the officer in charge to obtain an email address so they could contact him directly. Advantage also tried contacting the officer in charge again with the information they had. Mr A came back to Advantage quickly the same day providing the information needed as well as the email address for the officer in charge. Advantage emailed the officer in charge directly that same day to confirm the claim details.

On 14 June 2023 Advantage received the engineers report which determined the vehicle a total loss. On 15 June 2023 Mr A called Advantage and let them know the officer in charge had told him they needed to apply for the police report. The following day Advantage had assessed the circumstances and decided they would need to apply for the police report. They updated Mr A and advised it could take up to six months.

Towards the end of July Mr A called for an update. He was advised they were still waiting on the police report. He explained he was unable to drive for medical reasons and was looking to cancel his policy to obtain a refund of premiums. Advantage advised as there was a claim still ongoing, they would retain the full premium.

Mr A called for an update multiple times during September, but Advantage hadn't received the police report as yet. Mr A told them the police had said they sent the report on 6

September 2023. It wasn't until 20 September 2023 Advantage informed Mr A that the report was uploaded on 15 September 2023, and they would be reviewing it and would contact him the following day. They did review the report the following day but had some concerns as it became apparent that Mr A wasn't willing to support the police investigation. They emailed Mr A outlining this and said a senior person would be reviewing it further.

A further review took place that day and the claim was declined as a result. On 25 September 2023 Advantage called Mr A and advised they wouldn't be covering the claim. They also sent this in writing as well a copy of the police report. Mr A appealed and he was informed on 27 September 2023 it was with a senior adviser to review and they'd be in touch by the end of the week. On 1 October 2023 the adviser had reviewed the appeal and overturned their decision as Mr A had provided evidence as to why he didn't support the police further with their investigation. They informed Mr A of this decision on 2 October 2023 and valued the vehicle the same day.

Mr A made a complaint as he was unhappy with the time taken to resolve the claim. He felt Advantage had caused unnecessary delays particularly in respect of the police report and the initial decline of the claim. Our investigator didn't uphold the complaint as she didn't think Advantage had caused any avoidable delays that significantly impacted the progress of the claim. As Mr A remained unhappy it 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.

I'd like to reassure Mr A that whilst I'm aware I may have condensed some of the complaint points in far less detail and in my own words, I've read and considered everything he's told us. I'm satisfied I've captured the essence of the complaint and I don't need to comment on every point individually, or possibly in the level of detail he would like, in order to reach what I think is a fair outcome. This isn't meant as a discourtesy, but it simply reflects the informal nature of our service.

The Financial Conduct Authority's (FCA) Insurance Conduct of Business Sourcebook (ICOBS) requires Advantage to handle claims promptly and fairly, provide information on the claims progress, and to not unreasonably reject a claim. I've kept this in mind when considering Miss A's complaint.

From 24 May 2023 when Advantage was informed the vehicle had been recovered, I can see they acted within a reasonable time to recover the vehicle and arrange an inspection of it once it was released by the police. Their engineer assessed the vehicle and shared the report with Advantage within about a week which isn't unreasonable.

There was some delay in following the correct process to obtain the police report. But I can see that Advantage were actively contacting the officer in charge to see if they were able to clarify the circumstances without the need to obtain the report which would have meant they could process the claim quicker. It's unfortunate they had to then request the report anyway but it's clear there was good intention here and I don't think this significantly impacted the overall claim journey. I recognise that Mr A was informed the police had sent the report on 6 September 2023, but it is clear from his contact with Advantage on 12 September 2023 the report was being processed and I can see it was later uploaded on 15 September 2023. Once uploaded it was reviewed within a week which I don't think is unreasonable.

I understand Mr A feels Advantage could have avoided the wait for the report if they'd been clear with him about what they needed from the police. However, Advantage were entitled to

investigate the claim and part of that is validating the information Mr A had provided. So, in the circumstances, it wouldn't have helped the situation to have him act as an intermediary and it wasn't unreasonable for Advantage to contact the police directly.

I can see that Mr A called regularly for updates on the claim, but Advantage had managed expectations about the timescales it was working to including how long it could take to obtain the police report. They contacted Mr A when they said they would and when they had something meaningful to share.

I'm aware Mr A was without a vehicle which impacted his ability to travel to work. He asked about a courtesy car but was informed it wasn't included in the policy. In respect of a courtesy car the policy says:

"About the replacement car service, You won't be eligible for a replacement car if your Car is stolen or considered to be a Total Loss/write-off."

At the time I understand the claim was still waiting to be validated but it was clear the vehicle had been stolen. Given this I don't think Advantage have been unreasonable here and it wouldn't be fair to hold them responsible for the impact on Mr A's ability to work.

I understand Mr A was looking to cancel the policy as he was unable to drive for medical reasons. Advantage informed him that as a claim was still open, if he cancelled they would retain the premiums.

The policy says: *"If your Car is declared a Total Loss, and you've already paid the premium in full, no refund will be made for the Car in question, even if the cover for the Car is later cancelled. This may not apply if your Insurer is able to recover all losses from a Third Party. In this case Insurers may sometimes refund the Premium paid and, if they do, we'll pass that refund on to you."*

As a third party hasn't been identified, Advantage don't have any way of recovering fees associated with the claim. Therefore, in line with the terms they are entitled to retain the premiums.

Initially Advantage declined the claim which I can see they communicated within reasonable time and with clear explanation. When Mr A appealed, again they reviewed the appeal in reasonable time and overturned the decision accepting the claim. Given the information available I can understand Advantage's initial decision and I don't think they had treated him unfairly. However, I'm pleased to see they also reviewed the appeal fairly taking account of the extra information Mr A had provided and have now agreed to settle the claim.

I'm sorry to hear about Mr A's health following the accident and I can appreciate considering the circumstances it would have been a worrying and distressing time for him. However, whilst I don't doubt the incident and the general process for making a claim would've been more difficult given what he'd been through. Overall, I don't think Advantage caused any significant delays, they updated Mr A when necessary and informed him of its progress when he called. It wasn't unreasonable for them to review the police report before making a decision on the claim and I can't see they've treated him unfairly.

My final decision

For the reasons explained, my final decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr A to accept or reject my decision before 22 May 2024.

Karin Hutchinson
Ombudsman