

The complaint

Mr T has complained about the way Advantage Insurance Company Limited handled a claim under his car insurance policy. Reference to Advantage includes its agents.

What happened

Mr T made a claim under his policy for damage to his car after a named driver under his policy was involved in an accident with a third party.

Advantage arranged for one of its approved repairers to repair Mr T's car and corresponded with the representative acting for the third party about the third party's claim. Mr T wasn't happy with the progress on his claim and complained. Advantage issued a final response letter on 19 August 2022 addressing Mr T's complaints about the time it was taking to arrange for his car to be repaired and the lack of updates on the progress of his claim. It explained why it had taken longer than normal to arrange for his car to be repaired and apologised for the lack of updates. And it sent Mr T a cheque for £30 in compensation.

Mr T then submitted another complaint on 14 January 2023, although it is not clear to me exactly what this was about. This complaint was ignored by Advantage, as it thought it was a duplicate of Mr T's previous complaint. Mr T then asked the Financial Ombudsman Service to consider a complaint about Advantage at the end of March 2023. In his complaint form he mentioned that he wasn't happy that Advantage had admitted liability for the accident giving rise to his claim. He also said it had taken too long to repair his car and that he hadn't been kept updated on the progress of his claim.

One of our investigators considered Mr T's complaint. He explained that he couldn't consider the issues that Advantage had addressed in its final response on 19 August 2022, as Mr T hadn't asked the Financial Ombudsman Service to do this within six months. But he did consider what had happened since 19 August 2022. He initially said that he was satisfied the time taken to repair Mr T's car was reasonable. He also said he thought that whatever happened Mr T's named driver would have been held at least partly responsible for the accident giving rise to the claim. And, in view of this, he didn't think Advantage's admission of liability had prejudiced Mr T's position. He then explained that he didn't think Advantage had progressed the claim with the third party's solicitor quickly enough or kept Mr T properly updated. He recommended Advantage pay Mr T £150 in compensation for the distress and inconvenience he'd experienced because of this. Mr T said he agreed with the investigator's view.

Advantage didn't agree with the investigator's view. It said it was waiting for contact from the third party's solicitor so there was nothing more it could have done to progress the claim. And that it had no reason to update Mr T as there was nothing it could tell him.

The investigator then issued a further view on Mr T's complaint in which he explained that, while he felt Advantage could have been more proactive in trying to secure responses from the third party's representative, the fact it wasn't hadn't made Mr T's position any worse. And he further explained that, in view of this, he no longer thought it appropriate to award compensation.

Mr T has responded to say he wasn't happy with the investigator's revised assessment. He's said he wasted time and money calling for updates. And that, having acknowledged this and given him £30, Advantage ignored his further complaint on 14 January 2023. And that he had to waste further time and money making this complaint only for it to be ignored. He's said he still doesn't know what happened to this complaint and he has questioned how he as a customer can make a complaint to Advantage when it doesn't appear to have a working complaint system. Mr T has also said that he only exceeded the time allowed to ask us to consider the issues Advantage addressed in its final response on 19 August 2022 because it ignored his complaint of 14 January 2023. And because he was waiting for it to respond to it on the understanding it had eight weeks to do so. Finally, he said he'd like an ombudsman to consider his complaint.

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 T's complaint about the service he received from Advantage after it issued its final response on 19 August 2022 and award him £150 in compensation for distress and inconvenience. I've explained why below.

Before I do this I'd like to explain two things. First of all, the investigator was right to say we can't consider Mr T's complaint about things that happened before Advantage issued its final response on 19 August 2022. This is because, while I appreciate Mr T made a further complaint on 14 January 2023, Advantage made it clear in its final response that, if he wanted the Financial Ombudsman Service to consider his complaint about the issues it addressed in this letter, he needed to do that within six months. He didn't, so this means we can't consider a complaint about them. And I don't think the fact Mr T was waiting for Advantage to respond to a further complaint he had made changes this.

Secondly, our rules do not actually allow us to consider complaints that are purely about complaint handling. So, while I can tell Mr T that the reason Advantage didn't respond to his complaint of 14 January 2023 was not due to the fact it doesn't have a working complaints system, but was due to it thinking this was a duplicate of his previous complaint, I can't consider the impact this error had on Mr T.

I can however consider Mr T's complaint about the length of time it took Advantage's approved repairer to repair his car and its progression of and communication on the claim against him by the third party representative.

I am satisfied from the evidence I've seen that Advantage's approved repairer took a reasonable time to repair Mr T's car once it was in for repair. In my experience, vehicle repairs often take longer than people think they will because of the way body shops need to work and the fact they can't always know what parts they need in advance; so often have to order them once the vehicle is on site. I've seen the timeline for the repairs to Mr T's car and, bearing what I've said in mind, it took the sort of time I would expect for the approved repairer to repair his car. And Mr T had a courtesy car in this period, so wasn't inconvenienced to any great extent anyway.

However, I do not think Advantage provided an acceptable standard of service to Mr T in its handling of the claim against him by the third party representative. I say this because it appears to have taken a decision to admit liability without properly explaining to Mr T that it was going to do this and why. I also think it could have been more proactive in chasing the third party representative in an effort to get the claim finalised and closed. Plus, I think Advantage should have kept Mr T updated, even if it was just to tell him it was chasing up

the third party representative, rather than leaving him to have to keep ringing to find out what was happening.

I do of course appreciate none of this is likely to have changed the eventual outcome on the claim. I say this because, based on the evidence provided, I think it is unlikely Advantage could have justified a complete denial of liability. And, even if it had chased the third party representative, it might not have responded any more quickly on the claim. But it is possible it would have done and the claim could have been closed earlier. I also accept there would not have been much Advantage could tell Mr T by way of updates. But this doesn't mean it didn't need to update him at all. And, while the end position on the claim would most likely have been the same if Advantage had provided a better service, I think it's clear its failure to do so caused Mr T distress and inconvenience. And I think he needs to be compensated for this.

Putting things right

I've considered the level of distress and inconvenience Mr T experienced as described above and I consider the fair and reasonable outcome to his complaint is for Advantage to pay him £150 in compensation.

My final decision

For the reasons set out above, I uphold Mr T's complaint about Advantage Insurance Company Limited and order it to pay him £150 in compensation for distress and inconvenience. Advantage must pay this compensation within 28 days of the date on which we tell it Mr T accepts my final decision. If it pays later than this it must also pay interest on the compensation from the deadline date for settlement to the date of payment at 8% a year simple.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr T to accept or reject my decision before 18 April 2024.

Robert Short
Ombudsman