

## **The complaint**

Mr S has complained that Advantage Insurance Company Limited (Advantage) gave him incorrect advice under a home insurance policy.

## **What happened**

Mr S contacted Advantage to check whether tools stored in a rented garage a short distance from his property would be covered under his policy. The call handler confirmed that they would be. A few months later, the garage was broken into and the tools were stolen. Mr S contacted Mr S to make a claim. Advantage asked for evidence of the items stolen and said there was a £500 excess to pay and that it could affect Mr S's no claims discount. Mr S provided further information. Advantage then declined the claim because it said the garage wasn't within the boundaries of Mr S's property.

Mr S told Advantage he had specifically asked whether the rented garage was covered by the policy and was told that it was. He said he wouldn't have rented the garage and stored items in it. Advantage replied and said the rental agreement showed that he started to rent the garage nine days before he phoned Advantage about the cover. It said the call handler's advice therefore didn't affect Mr S's decision to rent the garage. It said it wouldn't cover the claim. Mr S replied and said that during the phone call about cover, he had been led to believe the tools were covered. He said Advantage was culpable for the loss.

Advantage reviewed the claim again and agreed to cover the claim. It offered £943.44 as the claim amount, from which the £500 excess would be deducted. Mr S replied and said he didn't think he should have to pay an excess or lose his no claims discount because of being misled by Advantage. He said had he not been misled, the tools would still have been in his house. Advantage replied and said it wouldn't waive the policy excess and if Mr S decided to proceed, his no claims discount would reduce to zero years.

When Mr S complained to Advantage, it maintained its position on how it would settle a claim. However, it offered £75 compensation. Following some further correspondence from Mr S, it also confirmed the claim would be recorded on an external database used by insurers to share information about claims. Mr S still didn't agree with Advantage's position. So, Advantage closed the claim. It confirmed that because the claim had been closed without making a payment, it didn't affect Mr S's claim free years.

Mr S complained to this Service. Our Investigator didn't uphold the complaint. He said if the theft had been covered by the policy, Mr S would have had to pay the first £500 of the claim because that was the excess he had agreed to. The incorrect information provided by Advantage resulted in Mr S's claim being declined. So, he said it was fair that it agreed to settle the claim and paid £75 compensation.

As Mr S didn't agree this was a fair outcome, the complaint was referred to me.

## **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 don't uphold this complaint. I will explain why.

It isn't in dispute that Advantage provided Mr S with information that led him to believe his tools were covered under the policy while in the garage, despite this not being the case. Advantage has agreed to deal with the claim on that basis. Mr S disagrees that this is a fair way to deal with the claim. He has said he wouldn't have stored the tools in the garage if he had been given the correct advice. So, he doesn't think he should have to pay the £500 excess or have this recorded as a claim on his policy.

If Advantage hadn't already agreed to settle the claim in this way, what it has offered is what I would have required it to do. In terms of the excess, Mr S agreed to pay a £500 excess for each claim made under the contents section of the policy. I can't tell an insurer not to require the payment of the excess. It was part of the agreed terms and conditions of the policy when it was taken out. Insurers are also expected to provide accurate information on claims, including on the claims and underwriting exchange, which is the external database insurers use to record claims information.

Advantage paid Mr S £75 compensation for the issues with the claim. I think that was fair in the circumstances. Overall, I think Advantage has made a fair offer in response to the claim and complaint. I leave it to Mr S to decide if he wants Advantage to settle the claim.

### **My final decision**

For the reasons I have given, it is my final decision that this complaint is not upheld.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr S to accept or reject my decision before 18 November 2024.

Louise O'Sullivan  
**Ombudsman**