

The complaint

Mr E was unhappy that Advantage Insurance Company Limited (“Advantage”) didn’t record the correct information on his insurance record following the theft of his vehicle. Advantage was providing a motor insurance policy.

What happened

Following the theft of his daughter’s vehicle, Mr E raised a claim with Advantage. Once the car was returned, he decided not to pursue the claim and the claim was closed.

However, when he came to sell the car, he was unhappy with how Advantage had recorded the details of the incident. He said it had adversely impacted his ability to sell the car for the price he wanted.

Advantage had initially recorded the theft with the vehicle unrecovered. However, Advantage didn’t update its records in a timely fashion when Mr E informed it the vehicle had later been recovered. So, Advantage paid Mr E £50 compensation for the inconvenience the delay caused. However, it also recorded the vehicle had been damaged and it said it wasn’t able to remove this detail from Mr E’s claim record.

Advantage later removed some of the details of the incident from Mr E’s insurance record. Advantage offered Mr E a further £50 compensation as it said it couldn’t change this detail, but it did in the end (so contradicting its original advice). Mr E doesn’t think this compensation is sufficient. He didn’t think there was evidence his car was damaged and he said Advantage made him to look like a liar.

Our investigator decided not to uphold the complaint. She thought the compensation was fair in the circumstances for Advantage delaying the update to the records, and she thought it had gone beyond what it needed to do to remedy the situation. Mr E disagreed, so the case has been referred to an ombudsman.

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 know this will disappoint Mr E, but having reviewed the details of this complaint, I don’t uphold it. I’ll briefly explain why.

The crux of Mr E’s complaint relates to the damage aspect of the vehicle that was recorded which had an adverse impact on the car’s re-sale value. Mr E argued the car wasn’t damaged.

I’ve looked at the evidence that exists of the car’s condition. Advantage took detailed claim notes, which included notes taken from its interactions with Mr E. The notes reflect that Mr E told Advantage that when his car was returned the mileage on the car had been changed and the car’s immobiliser wasn’t working. I find these notes persuasive. Insurers will take detailed notes throughout a claim, so it has a detailed record of what happened.

I think the changed mileage and broken immobiliser are damage, so I don't think Advantage were unreasonable in recording these facts. I appreciate Mr E says his immobiliser had been re-programmed rather than damaged. However, I think in both cases work would've been needed to be carried out to put right what the thieves had done to the vehicle.

Advantage have since removed some of the details from Mr E's insurance record. I don't think Advantage were right in doing this. Insurers' have a legal responsibility to record accurately the history of claims, so the record is factually accurate for both drivers and their vehicles.

I don't uphold the complaint, as I don't think Advantage has done wrong by Mr E. I think it has done what it can to try and help its customer after its initial delay in updating the records. Whilst, I appreciate Advantage may not have perfectly recorded the details of the incident, I think it did record the material facts correctly i.e., the car was stolen, recovered and damaged. I don't think there is evidence to suggest it accused Mr E of being dishonest.

My final decision

My final decision is that I don't uphold this complaint. I don't require Advantage Insurance Company Limited to do anymore.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr E to accept or reject my decision before 11 December 2024.

Pete Averill
Ombudsman