

The complaint

Mrs N complained that Advantage Insurance Company Limited (“Advantage”) didn’t cover her claim when her car was damaged after hitting a pothole. She’s unhappy that Advantage didn’t manage her expectations reasonably when dealing with her motor insurance claim.

What happened

Mrs N said that she hit a pothole and within two minutes her car displayed an amber warning on the dashboard. A local garage advised Mrs N it was an issue with the advanced driver system (ADS), and she needed to take it to a specialised garage.

The specialist identified an issue with the front camera and said a dealer would need to fix the issue. Mrs N researched the issue and knowing it would cost over £2,000 made a claim via an online form to Advantage.

Mrs N was put in contact with a garage to book her car in, which led Mrs N to believe her claim would be covered. The car was with the garage for two days, when Mrs N was contacted to inform her that repairing / replacing the camera wasn’t covered by the insurance policy. Mrs N was informed she needed to pay the costs for the garage reviewing her car (£461) or she’d need to pay her £250 excess for her policy to cover this, or she wouldn’t get her car back.

Mrs N is annoyed as she wasn’t told her claim might not be covered or told any claim would affect her no claims bonus. Advantage don’t think the camera fault was caused by the incident with the pothole. However, it has informed Mrs N if she provides evidence to contradict this, it would re-consider this. Mrs N thinks Advantage should seek this evidence rather than her having to pay £120 to do this.

Our investigator decided not to uphold the complaint. She thought Advantage had acted fairly, as both the specialist and dealer didn’t think the issue with the camera was related to the pothole incident. Mrs N 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.

Before making my decision, it should be noted that since the final response that Advantage issued, it has offered Mrs N a cash settlement for replacing a buckled tyre and it has refunded her the costs she incurred with the dealer.

I’m pleased Advantage has done this, as it wasn’t apparent to me that it had managed Mrs N’s expectations correctly that her claim wouldn’t necessarily be covered, and it was reliant on the findings of the dealer. Mrs N also said she wasn’t aware she’d have to pay either the costs of the expert or the excess. However, as Advantage have now remedied this situation by refunding Mrs N, I think it has done what I would expect to put this situation right.

I've considered whether Advantage should've fixed Mrs N's camera. Mrs N didn't think she should've needed to spend a further £120 to prove the camera was damaged in the accident. It is up to the policyholder to prove damage has been caused by a specific incident, so I don't think Advantage has done anything wrong asking for this evidence.

I've also noted that in making its decision, Advantage has reviewed the information that was collected during the investigations. It has captured the following notes within its own internal records.

"Vehicle has been examined and steering geometry measured which shows no misalignment which considering ADS issue and an alleged pothole incident, this would be an issue. ADS specialist has inspected and advised vehicle has had a previous incident and the wrong camera has been fitted which cannot be calibrated to this vehicle. The repairer has been advised as follows after discussion with Senior Engineer; Hi chaps, the company stance on this is that the customer will need to get this camera replaced at her own expense due to it being a previous issue".

Advantage's experts also commented that some of the history on the car's computer had been deleted before Mrs N took ownership of the vehicle, so Advantage couldn't refer to the history to see what might have happened previously with the car. So, it wasn't able to identify when the issue with the camera first occurred.

However, I think Advantage were fair by telling Mrs N if she could provide evidence to support her view that the pothole incident had caused the damage to her camera, then it would re-consider this part of the claim. But, as its own expert didn't think the camera was damaged in the incident and the onus on proving the damage was caused by the one-off incident is on the policyholder, I don't think Advantage has done anything wrong. So, I don't uphold this complaint.

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 Mrs N to accept or reject my decision before 7 January 2025.

Pete Averill
Ombudsman