

## **The complaint**

Mr K complains about how Advantage Insurance Company Limited settled a claim on his car insurance policy.

Throughout the claim and complaint process, Mr K has had a representative helping him. In this decision, any reference to Mr K includes the actions and comments of his representative.

## **What happened**

Mr K was involved in an accident in January 2024. He notified Advantage about the claim on the same day. In February 2024, Mr K informed Advantage he was dealing directly with the third-party's insurer. Advantage cancelled Mr K's claim. In July 2024, the third-party insurer contacted Advantage about the claim and were holding them responsible for their insured's costs. Advantage attempted to contact Mr K. Advantage didn't receive a response from Mr K and eventually settled the claim on a 50/50 basis. Advantage wrote to Mr K and informed him of the claim settlement. Mr K was unhappy and raised a complaint.

Advantage didn't uphold Mr K's complaint. They didn't think they'd done anything wrong in how they settled the claim liability. Mr K was still unhappy and brought the complaint to this service.

When providing us with their case file, Advantage made an offer to Mr K. They accepted they could have tried to contact Mr K more than they did. They offered to allow Mr K to retain his no claims discount and offered £150 compensation. Our investigator thought Admiral's offer was fair and reasonable. Mr K appealed. He didn't think he could be held responsible for the claim due to the Highway Code (HC) and as a result, had suffered a financial impact. As no agreement could be reached, the complaint has been passed to me to make a final decision.

## **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.

When considering complaints such as this, I need to consider the relevant law, rules and industry guidelines. The relevant rules, set up by the Financial Conduct Authority, say that an insurer must deal with a claim promptly and fairly. So, I've thought about whether Advantage acted in line with these requirements with how they settled Mr K's claim.

At the outset I acknowledge that I've summarised his complaint in far less detail than Mr K has, and in my own words. I'm not going to respond to every single point made. No discourtesy is intended by this. Instead, I've focussed on what I think are the key issues here. The rules that govern the Financial Ombudsman Service allow me to do this as it's an informal dispute resolution service. If there's something I've not mentioned, it isn't because I've overlooked it. I'm satisfied I don't need to comment on every individual point to be able to reach an outcome in line with my statutory remit.

As a starting point, I think it's important to set out that this service can't decide who is responsible for an accident. This is the role of the courts. Our role is to consider whether the insurer handled the claim in a fair and reasonable manner and in line with the terms and conditions of the policy. I think it's also important to set out the scope of this decision. I'm only considering events up to when the final response was issued in November 2024.

The policy terms and conditions set out the following:

**"We** are entitled to process **your** claim in its entirety as well as conduct the defence or settlement of any claim and/or admit negligence for any accident or claim on **your** behalf."

Whilst Advantage is entitled to deal with the claim on Mr K's behalf, I'd still expect them to do so in a fair and reasonable way. Insurers are entitled to make a commercial decision about whether it's reasonable to contest a third-party claim or better to compromise. We'd expect an insurer to reasonably investigate a claim and consider the evidence available before making its decision on liability.

Having reviewed the information provided, I don't think Advantage acted unfairly or unreasonably in how they handled the claim in coming to a 50/50 liability outcome. Mr K has raised that he doesn't think Advantage considered the HC. I don't agree. I can see that Advantage has quoted the HC in a response to Mr K. Whilst Mr K might not agree with the outcome, I can't say that Advantage haven't considered it. As I've said above, it's not for me to decide on the liability outcome itself. Based on the circumstances, I don't think Advantage has recorded the claim as 50/50 as this accurately reflects how they've settled the claim.

Mr K has also argued that Advantage didn't try to contact him enough when the claim was raised. Advantage has accepted they should have attempted to contact Mr K more. I agree. I don't think a single phone call and a single email attempt is enough. However, I think the £150 compensation offer from Advantage fairly compensates for the trouble and upset caused to Mr K. This is because due to Mr K's circumstances at the time, he wasn't able to respond to calls or emails. Mr K thinks Advantage should have sent a letter, which would have been picked up. I disagree; I think two different forms of communication was sufficient. Advantage has shown that email was Mr K's preferred communication channel and Advantage weren't kept up to date with Mr K's circumstances so they wouldn't have known he couldn't respond to calls or emails. Whilst Mr K denies his contact preference was email, based on the evidence I've seen, I'm satisfied it was.

Overall, I'm satisfied that the offer made by Advantage fairly compensates Mr K for the trouble and upset caused.

Whilst I understand Mr K will be disappointed with my outcome, I acknowledge that he's sent us additional information that I haven't been able to consider in this complaint. He's sent us an email he's been sent by the third-party insurer as well as his bank statement which shows a payment being made to him by the third-party insurer. I can't see that Advantage have been provided with these prior to the final response letter being issued in November. Should Mr K remain unhappy, he can provide these to Advantage to consider further. Should he still be unhappy following this, he'd be able to bring a new complaint to this service to consider.

### **Putting things right**

To put things right, Advantage should do the following:

- Reinstate Mr K's no claims discount
- Pay Mr K £150 compensation for the trouble and upset

### **My final decision**

For the reasons I've explained above, I uphold this complaint and direct Advantage Insurance Company Limited to put things right by doing as I've said above, if they haven't already done so.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr K to accept or reject my decision before 15 October 2025.

Anthony Mullins  
**Ombudsman**