

The complaint

Mr A complained about how Advantage Insurance Company Limited handled a claim on his car insurance policy.

What happened

Mr A was involved in a road traffic accident on 7 November 2024. He called Advantage whilst at the roadside to arrange recovery. Mr A's car was eventually written off and he received a total loss payment for it. Mr A was unhappy with a variety of issues that occurred during the claim. These were as follows:

- Unnecessary questions to get rescued whilst in danger on hard shoulder
- Recovery delays and no provision to get him home
- Credit hire & credit repair referral
- Delays collecting car
- Initial report findings
- Trying to repair car/ Not writing the car off
- Attempts to return his hire car
- Allocating a non-manufacturer approved garage for repairs
- Delays allocating repairer
- Time taken to deal with the claim on the phone

Advantage upheld Mr A's complaint and awarded £200 compensation for the trouble and upset caused. Mr A wasn't happy with the amount of compensation offered and so brought the complaint to this service.

Our investigator didn't uphold Mr A's complaint. They felt the compensation awarded by Advantage was fair and reasonable in the circumstances. Mr A appealed. He didn't feel that our investigator had reviewed his complaint in full. In particular, he raised the following points:

- The investigator hadn't understood the circumstances with regards to the reports that had been completed.
- Still felt he'd been asked unnecessary questions and questions had been repeated.
- He hadn't been provided with any information about the credit hire/credit repair prior to the referral taking place.
- We didn't address him not being recovered.

As no agreement could be reached, the complaint has been passed to me to make a final decision.

Because I disagreed with our investigator's view, I issued a provisional decision in this case. This allowed both Advantage and Mr A a chance to provide further information or evidence and/or to comment on my thinking before I made my final decision.

What I've provisionally decided – and why

I previously issued a provisional decision on this complaint as my findings were different from that of our investigator. In my provisional decision, I said:

“I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint.

Based on what I've seen so far, I intend to uphold Mr A's complaint. I've explained my reasons why below.

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 when dealing with Mr A's claim.

At the outset I acknowledge that I've summarised his complaint in far less detail than Mr A 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.

I've set out my responses to each of Mr A's complaint points below:

Unnecessary questions to get rescued whilst in danger on hard shoulder.

I've listened to the call Mr A had with Advantage after the accident. I do think the agent was struggling during the call. Whilst I don't agree with Mr A about all the questions being unnecessary, I do think he was asked duplicate questions. I also think the agent was struggling to locate Mr A's location when he'd provided clear details as to where he was located. Whilst I appreciate this can be a high-pressure job, I do think the call could have been handled better and led to some upset for Mr A.

Recovery delays and no provision to get him home

Whilst the accident took place on a motorway, the highway agency helped Mr A move his car to a safer location. A recovery firm were hired to recover Mr A's car. They operate on a priority-based system. This meant that Mr A was informed recovery would take place in around two hours. Whilst I appreciate this is longer than Mr A wanted to wait, and how waiting in an unfamiliar location can make someone feel, I don't think two hours is an unreasonable amount of time.

Mr A was informed by the recovery agent that they would just be recovering the car and not him. Mr A then chose to drive his car home instead of waiting for recovery. The policy doesn't specify that Advantage are required to arrange recovery for Mr A as opposed to just covering costs as Advantage have offered. However, I can understand why Mr A would have expected for him to be recovered too. I don't think Advantage managed Mr A's expectations as they didn't inform Mr A that this was the case and left this to the recovery agent to do.

Credit hire & credit repair referral

I've listened to the calls Mr A had with Advantage and the credit provider. At no point during these calls was Mr A informed about the advantages and disadvantages of using credit hire/repair. Neither was Mr A asked if he wanted to use credit hire/repair.

When Mr A realised he was using credit hire and what the potential implications of this were, he was clearly upset and distressed. Insurers should provide consumers with the advantages and disadvantages of using credit hire/repair and shouldn't just refer them without consent. Had Mr A been properly informed and asked if he wanted to proceed with credit hire/repair, I think it's most likely he would have turned it down.

Delays collecting car

Mr A's accident took place on a Thursday. It was collected from his house on the following Monday. This was within 2 working days. I don't think this is an unreasonable amount of time.

Initial report findings

Mr A's car was collected by a third-party provider. They completed a damage report for Advantage. Whilst I appreciate Mr A disputed the report findings, it's not unreasonable for Advantage to rely on the report. Mr A asked about getting an independent report completed. However, at this stage it wouldn't have been appropriate. As the report deemed the car was repairable, the car was transferred to a repairer. At that point a further report and estimate would needed to have been completed, which is what happened.

Trying to repair car/ Not writing the car off

Mr A was unhappy that following the further report, which had significantly increased repair costs, that Advantage still wanted to repair the car. Under the policy, Advantage has the authority to decide on how the claim is settled. Whilst the repair costs were high, they were under the market value of the car.

Mr A objected to the car being repaired and it was eventually escalated to a senior engineer. The senior engineer allowed for the car to be written off. Overall, I don't find that this process was unreasonable.

Attempts to return his hire car

The credit hire provider requested on a couple of occasions for the car to be returned. This isn't something I can look into as credit hire isn't a regulated activity.

Allocating a non-manufacturer approved garage for repairs

Initially Mr A's car was allocated to a non-manufacturer approved repairer. The policy terms and conditions specify that the repairer may use parts that aren't made or supplied by the car's manufacturer. So, I don't think Advantage did anything wrong here.

Delays allocating repairer

Advantage has accepted there were delays in dealing with the claim. As this issue isn't in dispute, I've considered this as part of my compensation award below.

Time taken to deal with the claim on the phone

I appreciate that Mr A has had to spend time on the phone dealing with his claim. Based on the issues above, I think some of this could have been avoided. So, I've considered this as part of my compensation award below.

Overall, I don't think the £200 compensation fairly reflects the trouble and upset caused by Advantage to Mr A. However, I want to manage Mr A's expectations. I think the £1,000 compensation that Mr A has asked for is also too high. Our usual approach is to consider the appropriate level of compensation overall – not to apportion particular amounts to individual elements of a complaint.

I appreciate that it must have been frustrating for Mr A during the first notification call, there were delays with repairs taking place and the distress finding out that he'd been signed up to a credit agreement for the car hire. Although this is a distilled version of events, I've considered everything in the round and I think Mr A has been caused a considerable amount of distress and inconvenience which has required a lot of effort to sort out and has impacted Mr A over several weeks. In line with our website guidelines, I think £400 compensation is fair and reasonable in the circumstances. So, I intend to increase the compensation already paid by an additional £200 to £400."

I set out what I intended to direct Advantage to do to put things right. And gave both parties the opportunity to send me any further information or comments they wanted me to consider before I issued my final decision.

Mr A responded and provided additional information. Advantage didn't respond. Based on the additional information provided, I wrote to both parties to inform them that I intended to amend my suggested redress slightly. I said the following:

"Mr A has now been informed by the claims management company that the third party insurer has so far failed to cover the cost of the credit hire. As such, they're going to have to start legal proceedings and Mr A is required to help with this process. This is similar to a compensation award example on our website.

Currently the compensation I've awarded is a total of £400. However, due to this additional trouble and upset caused as a result of the poor referral for credit hire, I'm intending to increase the award by a further £150 to a total of £550. This is made up of the initial offer from Admiral of £200, and an additional £350 by this service."

I gave both parties the opportunity again to send me any further information or comments they wanted me to consider before I issued my final decision.

Responses to my provisional decision

Mr A accepted my provisional decision.

Advantage didn't respond to the provisional decision by the deadline.

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've thought carefully about the provisional decision I reached. Having done so, and as neither party has provided anything which could lead me to depart from my provisional decision, my final decision remains the same as my provisional decision, and for the same reasons.

Putting things right

To put things right, Advantage should pay Mr A a total of £550 compensation.

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 A to accept or reject my decision before 14 August 2025.

Anthony Mullins
Ombudsman