

The complaint

Miss W complains that Advantage Insurance Company Limited (“Advantage”) declined her claim under her car insurance policy and then sold her car without her knowledge.

What happened

Miss W had a motor insurance policy with Advantage covering her car.

In April 2024 she reported to Advantage that her car had been vandalised. She made a claim.

Advantage looked into her claim and declined it because it didn’t think Miss W’s description of the events was accurate. Her car had been recovered by Advantage while it was being examined. It had been taken to one of Advantage’s suppliers, which I’ll refer to as C.

Because Advantage declined Miss W’s claim, her car was being stored by C and incurring costs. C tried to call Miss W, and send her an email, and it wrote to her twice by recorded delivery. Miss W didn’t answer and the letters were returned to sender. C proceeded to sell the car to recover its costs. The amount it received wasn’t enough to pay for the storage costs.

Miss W said she was in prison when Advantage and C had tried to contact her. When she was released, she became aware her car had been sold. She complained to Advantage about her claim being declined, and that C had sold her car.

Advantage said it had acted fairly. As Miss W remained unhappy, she brought her complaint to this service. Our investigator looked at the decision Advantage made on the claim, and whether Advantage acted fairly in how it dealt with communicating with Miss W about her car and then it being sold. She thought Advantage acted reasonably.

Miss W didn’t agree with the view. She said she thought Advantage hadn’t contacted her as it said it had, and that her policy should have paid out for the claim.

Because Miss W didn’t agree, her 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.

Having read the file, I’ll start by saying that I’m sorry to hear about Miss W’s struggles. I’ve listened to the calls, and I can hear how distressed and upset she has been during her claim and I’ve taken these challenges into account when arriving at a decision on her complaint.

I also need to say that I’m not going to refer to all of the evidence I’ve been supplied. No disrespect or discourtesy is intended. What I’m going to do is focus on the two key areas I think are central to Miss W’s complaint. This is in line with this service’s informal approach.

The two key areas are that Miss W believes Advantage unfairly declined her claim for damage to her car; and that her car shouldn't have been sold without her permission. Having considered her complaint carefully, I'm not going to uphold it. I do appreciate this will be a significant disappointment to her, and I'll explain why I've reached this decision.

Advantage's decision on the claim

Miss W made a claim for damage to her car she said had been caused maliciously. She said she thought she knew who'd caused the damage.

Advantage recovered her car and sent a specialist independent engineer to inspect it. Miss W's description included that her car's bodywork had been damaged, including slashed tyres, a broken window, the brake lines had been cut, and the airbags interfered with. The engineer reported that they thought the bodywork damage was in line with vehicle collisions, as was wheel and tyre damage. They weren't able to inspect the brake lines fully, but said the floor under the car was dry and the brake fluid reservoir was full, meaning they thought it was unlikely the lines had been tampered with. The car showed no errors on the dashboard with regards to the airbags, but a window had been broken.

Advantage declined the claim because of the inconsistencies between Miss W's version of events and what its engineer had said. It referred to its fraud condition in the letter rejecting the claim. It's important I say I need to give an expert's report due weight in my consideration of a case. For completeness, I'll also say that Miss W struggled to provide some forms of proof, and the police were involved in investigating the alleged perpetrator of the damage but didn't take further action. But having reviewed the evidence, the engineer's report is, I think, the critical part of it.

The proof that an event happened a certain way is the responsibility of the claimant. Advantage has reasonably shown that it doesn't think the damage was caused as Miss W said, and Miss W hasn't reasonably shown that it did. I've thought about this carefully and I think Advantage acted fairly in its investigation and declining Miss W's claim.

Sale of the car.

I can see from the file that Miss W reported the damage to Advantage in late April 2024. Her car was then taken to C, where it was assessed and stored. Advantage wrote to Miss W on 5 June to tell her that her claim was being declined. That letter says Miss W needed to contact C for the return of her car.

It took until 15 August for Advantage to tell C directly that the claim wasn't being covered. C then tried to contact Miss W to arrange for her car to be returned. I can see that C wrote to Miss W as it hadn't been able to contact her by phone, and I've said above that the letters had been returned to sender.

The final letter said it would be selling Miss W's car within a month as it was incurring costs. It then continued to do this, and used the balance raised to pay towards the storage fees of £15 per day. There was an outstanding balance which was waived, and I think this was fair.

During this time, Miss W has said she wasn't contactable as she was in prison. I can see she's talked about post being sent to her home being destroyed, but I can see from the file that the recorded letters were marked as returned.

In later correspondence with this service, she's also talked about the difficulties accessing phones from prison. I can hear her talking about not being able to access her email account as well, due to the actions of a third party.

I've thought about this, and Miss W has my sympathies as I'm sure her situation was incredibly difficult for her. It seems to me that Advantage tried to contact Miss W to make her aware of its decision on the claim, and the location of her car. And C later tried to contact her about the same thing. But I can't see that Miss W made Advantage aware of her situation in any way.

So, I think Miss W should have taken more care to update her address and contact details with Advantage, or even C. I appreciate this would have been difficult, but I can't fairly say Advantage acted unfairly as it wasn't reasonably aware of Miss W's circumstances.

When Miss W was released from prison, her car was in the process of being sold and I can see it took some time for Advantage to notify her of this. But, again, I don't think this affected the outcome as her car had been disposed of already. I think it's fair I say that not being told this would have added to Miss W's upset, but as I think Advantage's actions have been fair in how it tried to tell Miss W about her car, I can't reasonably say Advantage needs to compensate her for the delay in it telling her. I've said above it's waived the outstanding balance, which I think is fair.

My final decision

For the reasons set out above, my final decision is that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss W to accept or reject my decision before 27 October 2025.

Richard Sowden
Ombudsman