

The complaint

Mr H complains about the way Advantage Insurance Company Limited (“Advantage”) handled his claim when his car was damaged by a third party.

What happened

Mr H had a motor insurance policy with Advantage covering his car.

In early April 2024 Mr H’s car was parked in a car park when it was hit by a third-party vehicle causing damage.

He contacted Advantage and made a claim.

Advantage thought his claim would be dealt with on a non-fault basis and it engaged a legal company to pursue costs from the third party.

There were issues with Mr H’s excess of £45, which he was told he wouldn’t need to pay. Then he was asked to pay it, which he did, but then struggled to find a way to claim it back.

He organised the supply of CCTV footage to Advantage, but it took about six months for Advantage to send it to the legal company it was using, and a further month for it to be accepted.

Mr H complained several times during this process. Advantage agreed its service hadn’t been very good, as it had taken too long to send the footage, and the service Mr H had from its legal company was poor. It also said it hadn’t kept Mr H up to date as it should have done.

It paid Mr H £125, £50 and £100 compensation, totalling £275. It’s also my understanding that Mr H complained about the legal company via its complaints service.

Mr H said he hadn’t received some of the compensation cheques, and hadn’t cashed another as he didn’t agree with the amount of compensation.

As he remained unhappy, he brought his complaint to this service. He asks for additional compensation.

Our investigator looked into it and thought his complaint wouldn’t be upheld as she thought Advantage’s compensation was fair.

Mr H didn’t agree with the view and asked that his complaint was reviewed by an ombudsman as he said he feels Advantage can do as it likes to customers with no consequences being applied. Because he didn’t agree, his 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.

I need to start by saying that Mr H has also complained about Advantage changing his policy excess from £45 to £95 (plus an additional £100 voluntary excess) from his 23-24 policy year to the next, while uplifting his annual premium slightly. He comments that he thinks his excess was changed in response to the claim he'd made. I can't see that he's made this part of his complaint to Advantage, but I can see that it's responded to this service's enquiries about it so I think I can comment on it here.

What I need to say is that I've reviewed the information supplied by Advantage, which says that his excess was changed a part of a substantial system changeover rather than being in response to Mr H's claim. It's not the role of this service to interfere in a company's processes or the level of cover it provides. So, from the information I have, I don't think Advantage acted unfairly in how it changed Mr H's cover at renewal.

I'll also say that Advantage, like other insurers, will base its premium calculation on a customer's claim history. What this means for Mr H is that the collision and claim made under his policy will, likely, have formed part of the premium change he's experienced. Other factors will be involved such as general market movements, but I don't think Advantage has acted unfairly.

I've only summarised the claims process made by Mr H above. Mr H has provided a timeline of the events of his claim and complaint, and I thank him for his efforts. Advantage has also provided further information about matters going on in its process, and I've looked at the two timelines to check how Advantage progressed Mr H's claim and recovery of its costs.

I need to say that this service isn't Advantage's regulator, which is the Financial Conduct Authority. I say this because of Mr H's comment that he feels Advantage can do as it likes. We're an independent dispute resolution service and don't have powers to fine businesses or require them to change their processes, but we can consider whether a company has acted unfairly and require compensation to be paid.

I can see that the claim continued for some considerable time, being finally settled in June 2025, some 14 months after the collision. The claim was settled as non-fault for Mr H and with his No Claims Discount allowed.

The timelines show me that there have been significant delays in progressing Mr H's claim, and I can see Advantage has accepted responsibility for this. The main delay was a wait of about seven months in total, as it took this long for Advantage to pass the CCTV to legal companies and the third-party insurer.

Mr H was chasing all of the parties involved in this process and his tenacity shows through in his timeline. None of the other parties involved, whether that's Advantage or the legal companies working on its behalf seemed to show any desire to bring the claim to completion. The third-party insurer too doesn't seem to have acted pro-actively, but I can't fairly say that's Advantage's fault.

Advantage has shown that renewal for Mr H's policy in September 2024 was offered with his full No Claims Discount intact, and that he was held not-at-fault with bonus allowed. What that means is that his renewal was offered at the correct terms. I know Mr H feels that his renewal was unfair, but from the information I have I can see Advantage offered Mr H renewal with its revised excess terms and premium, and he accepted it. As his claim was on that renewal as non-fault, bonus allowed, it would have been offered at the correct terms for him and his situation, regardless of when the claim was actually settled.

What I'm left to consider is the impact of the delays during the claim on Mr H. I can see Advantage took many months to send the footage to its legal company, despite Mr H's efforts. But as I've said above, the claim had been recorded on his policy renewal correctly, and in line with the eventual full settlement of it, so I'm not persuaded that Mr H is out of pocket. He was clearly very frustrated by Advantage's actions and he's been caused disruption over the period of the claim, and I can say Advantage is responsible for avoidable delays for about seven months.

I've thought about this and considered this service's guidelines on compensation, and I think Advantage's total compensation of £275 is fair and in line with those.

I will comment that Mr H says he hasn't received some cheques and hasn't cashed others, so I will ask Advantage to verify what's been paid so far, and issue further payment to Mr H for the remainder and cancel cheques as required.

So, I'm not upholding this complaint as I think Advantage's offer of compensation is sufficient.

My final decision

It's my final decision that I don't uphold this complaint.

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

Richard Sowden
Ombudsman