

The complaint

Mr K complains about the repairs Advantage Insurance Company Limited made to his car following a claim made on his motor insurance policy. He's also unhappy with the delays in the claim and with the cash in lieu settlement Advantage offered him to rectify the repairs.

What happened

Mr K's car was damaged in an incident and Advantage took it for repairs after some delays. Advantage paid Mr K £110 compensation and £50 for loss of use for this. Advantage then reimbursed Mr K £520 for the costs of temporary repairs he had paid for to make the car roadworthy.

Repairs were then carried out by Advantage's approved repairer, but Mr K was unhappy with their quality. Mr K asked for an independent assessment of the car and for a detailed breakdown of the rectification costs.

Advantage then found that the car was a previous category N total loss. It said the initial repairs shouldn't have been authorised. It said it was prepared to pay for the rectification work, but because of the previous total loss it would offer a cash in lieu settlement of £789.56. And it paid Mr K £200 compensation for the trouble and upset caused by its delays and level of service. But Mr K thought it would cost thousands of pounds to restore his car.

Our Investigator didn't recommend that the complaint should be upheld. He thought the initial delays in progressing the claim had been caused both by Advantage and Mr K. He thought Advantage's compensation for the initial delays was fair and reasonable. And he thought that Advantage was entitled to offer cash in lieu of repairs by the policy's terms and conditions. He thought this amount had been calculated by an engineer. Mr K hadn't provided an alternative estimate from an expert engineer. So he couldn't say that Advantage's offer was unfair or unreasonable.

Mr K replied providing a detailed timeline of his claim journey and many photographs of his car. But our Investigator thought this submission didn't provide any independent evidence to challenge the views of Advantage's engineer. Mr K asked for an Ombudsman's review, so his complaint has come to me for 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.

Mr K has explained that he's been unable to use his car whilst he has awaited the rectification work to be done. He said this had caused him a financial loss. And I was sorry to hear about this. I can also understand that he feels frustrated with the length of time it is taking for his car to be repaired.

Our approach in cases like this is to consider whether the insurer's acted in line with the terms and conditions of the policy and fairly and reasonably. Also, Advantage has an obligation under the relevant regulations to deal with claims fairly and promptly. So I've looked at the claim journey to understand what happened.

The delays at the start of the claim were dealt with by Advantage under a separate complaint. And Mr K didn't then bring these concerns to us within the time limits imposed by the regulations that govern us. So I'm not able to consider those concerns further here.

What I can consider is how Advantage has responded to Mr K's complaint that his car needed rectification work after the initial repairs. I can see that the car was eventually taken to Advantage's approved repairer some five months after the incident, but Mr K was unhappy with their quality.

It then took over three months for the rectification process to be started. And then it took two months for the car to be collected and inspected. Some of this latter delay was due to Mr K changing the car's registration plate, the car being untaxed, Mr K being away and the garage's availability.

So I think both sides contributed to the delays and this wasn't solely the responsibility of Advantage. But Advantage offered Mr K £200 compensation for its part in the delays. And I think that's fair and reasonable and in keeping with our published guidance for the impact of its errors.

Advantage's engineer then identified that the car had been a previous Category N total loss. I can see that this was identified on the initial desk-top inspection report completed by an independent engineer after the claim was first raised. And Mr K had also been open about this when the first repairs were completed. But Advantage had completed repairs at significant cost and so I can't say that not spotting this earlier caused Mr K any loss.

Advantage said that it shouldn't have approved repairs because of the previous total loss. I've looked at its terms and conditions, and I can't see that this is explicitly stated in them. But I can see that on page 18 of Mr K's policy booklet it is stated:

"You are covered for accident, vandalism and malicious damage If your car is damaged or lost because of an accident, vandalism or malicious damage there are four ways your policy can help you get back on the road again.

Your insurer will do one of the following:

- *Pay for any necessary repairs*
- *Replace your car*
- *Repair the damage*
- *Pay the market value of your car immediately before the loss"*

So it's for Advantage to decide how to deal with damage to the car. I think it isn't unusual or unfair for insurers to decline to repair cars that have been a previous total loss. This is because the extent of the previous damage may overlap with the new damage. And I can see that Advantage's engineer considered this and decided to make a cash in lieu offer for the rectification work, as I'm satisfied Advantage is entitled to do.

The engineer calculated this rectification work to cost in total £789.56, without VAT. Advantage offered to consider any independent estimate that Mr K obtained to challenge this figure. Mr K has provided his own detailed list of work that he considers needs to be done and photographs of his car. But I can't see that he's provided an engineer's report for Advantage to consider.

As our Investigator has already explained, we're not engineers. We don't assess how or whether damage has occurred. Our role is to consider whether an insurer has reasonably considered the evidence available and justified its decision about repairs.

So, without alternative evidence, I think it was fair and reasonable for Advantage to rely on its engineer's estimate for the cost of rectification. And I can see it offered this amount to Mr

K to settle his claim, as it's entitled to do by the policy's terms and conditions. So I can't say that Advantage has acted unfairly or unreasonably in doing this.

Mr K said that he'd been without the use of his car because he was waiting for Advantage's offer of cash in lieu of rectification and had then rejected this. From what I can see, the car was roadworthy after the repairs, and it passed its MOT. And we expect consumers to reasonably mitigate their losses. And so I think Mr K could have accepted Advantage's offer and continued to use his car whilst he continued with his complaint.

Mr K has raised further concerns about the service he received from Advantage and the impact this had on him and his finances. But Mr K will have to firstly raise these concerns with Advantage to give it a chance to respond before we can consider these.

My final decision

For the reasons given 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 Mr K to accept or reject my decision before 3 March 2026.

Phillip Berechree
Ombudsman