

The complaint

Mr T is unhappy with Advantage Insurance Company Limited's handling of his motor insurance claim. In particular, its poor communication and failure to provide him with a courtesy car in a timely manner in accordance with the terms of his policy.

What happened

The parties are familiar with the background to this complaint, and our investigator has set it out in detail in her correspondence, so I don't intend to repeat that again here. In summary, following an incident involving his car, during the arranged repair appointment, Mr T was left waiting for a week to be provided with a courtesy car. He received little proactive communication from Advantage about the delay and says that Advantage has failed to consider his known reliance on a vehicle for work and public duties.

Mr T was already suffering from a health condition which was exacerbated by his lack of an available car. And the whole episode caused him what should have been avoidable stress and inconvenience, his having to repeatedly chase Advantage for updates, spending almost four hours on the phone. Mr T is unhappy because what he considers to be a core benefit of his insurance policy wasn't provided as it should have been. And he couldn't carry out his work and personal responsibilities as effectively as a result.

Advantage initially upheld Mr T's complaint and offered him £350 compensation, to include £245 for the delay and poor communication and £105 for financial loss occasioned through the unavailability of a car. It later increased the compensation to £500 in total and said that it would send some flowers to Mr T's wife. Mr T has said that he thinks a fairer award would be £850 in total.

Our investigator considered the complaint but didn't think that Advantage needed to pay any more compensation than it had already offered. Mr T didn't agree, so the matter has been passed to me for a 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'm sorry to disappoint Mr T but, like our investigator, and for substantially similar reasons, I too think that the compensation offered by Advantage is within the range of that which I would consider to be reasonable for the trouble and upset experienced. I'll explain why below.

I appreciate how upsetting this whole incident must have been for Mr T and I understand the inconvenience this caused him. The provision of a courtesy car is a core benefit of his policy, and any customer would expect this to be provided promptly when making a successful insurance claim.

I am grateful to the parties for the detailed evidence that they've provided. This has been helpful in my consideration of the complaint. But they should please not consider it any discourtesy if I fail to mention anything that they consider to be important. I have considered everything but we're an informal resolution service and the contents of our decisions reflect this.

The failure to provide a car arose due to the unavailability of a courtesy car from the repairer and subsequently the contracted hire car provider having a lack of available vehicles. I'm told this was as a result of high demand following some extreme weather conditions around the time. Whilst this was outside of Advantage's control, Mr T is right that his policy provides the benefit of a hire car and if it couldn't be provided, he should reasonably have expected alternative arrangements to have been made. That didn't happen and Mr T had to repeatedly chase up the matter, in total spending around four hours doing this.

Mr T's job required the use of a car to get to appointments. And in his personal life, and civic responsibilities, he also had the need for a vehicle. This meant, among other things, he couldn't pick up and drop off his family as needed and he had to walk to a local appointment which exacerbated a medical condition he suffered from. He also had to attend a work appointment remotely, meaning he couldn't participate as effectively as he might otherwise have done. I can appreciate how frustrating this must have been for him.

Determining compensation isn't an exact science. Every customer will have experienced a failure in service differently. So, we generally look to assess the impact that the situation has had on the individual customer. We're not the industry regulator and can't punish a business for its failures, but we can award compensation for distress and inconvenience suffered, as well as any financial loss.

Here, Advantage has accepted it was in the wrong and has taken responsibility for the failings of the repairer in arranging a courtesy car and the car rental company in providing one. That's what I would have expected. There's no doubt here that Mr T's customer service experience was poor and the knock-on effect to his personal and professional life have been clearly evidenced. There was a failure to provide a core policy benefit, and we've considered whether Mr T incurred any financial loss as a result of this.

Of the £500 compensation offered, Advantage has awarded Mr T £105 in financial loss to reflect his loss of use, which it calculates at an arbitrary £15 a day hire car cost. Although hire car costs weren't actually incurred by Mr T, he has said that he'd normally have claimed about £100 in mileage costs over the course of a normal week in connection with his business. That mileage wasn't incurred either as Mr T didn't have his car, but the amount offered is similar to what he was looking for in any event. No evidence of any other financial loss has been provided.

Mr T would like more compensation than Advantage has offered, but I'm afraid that I consider the offer that it has made to be fair. When considering compensation for the effect that this service failure has had on Mr T and his family, I wholly appreciate that Mr T thinks this deserves greater compensation than the £395 offered. We consider many claims for compensation here and when thinking about other complaints that we've decided, where the delays may have gone on for much longer than this, and the customers have sometimes had very challenging family and health considerations, this award of compensation is still at the higher end of the scale of awards that I might otherwise have considered making.

I don't doubt that this experience was very inconvenient for Mr T, and I appreciate that he had to rearrange a number of his and his family's commitments as a result, but for the circumstances described, I consider Advantage's offer to be fair and reasonable, so I won't be requiring that it do anything more than it has already offered to do.

My final decision

It's my final decision that the offer of compensation made by Advantage Insurance Company Limited is fair and reasonable in the circumstances of this complaint. If it has not already, I require that it pay Mr T a total of £500 compensation (to include £395 for the distress and inconvenience caused and £105 for financial loss) and that it also makes arrangements for a bouquet of flowers to be sent as promised.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr T to accept or

reject my decision before 15 May 2026.

James Kennard
Ombudsman