complaint

Mr B had a motor insurance policy with Advantage Insurance Company Limited. He says it provided him with poor service after he was involved in an accident. Mr B's represented by Mr A.

background

Mr B's car hit a parked vehicle on 28 March 2015. He admitted blame and said he wanted to claim for the damage to his car. It went to Advantage's approved repairer. When he was told the car was a total loss, Mr B said he wanted to buy it, but that wasn't allowed under the policy. The car was ten years old and valued at £2,100. As Advantage had paid out on the claim, the full premium for the year was due. That was £1,514. A policy excess of £695 was also due. That meant Mr B owed Advantage a small sum.

On 27 April 2015 Mr B said he didn't want to make a claim, so Advantage arranged for the car to be returned to him. Mr B said extra damage had been caused by Advantage's agents. Mr B complained on 18 May 2015 that he'd been charged higher direct debit payments (to clear the premium) and couldn't afford them. He later cancelled the direct debit plan. Meanwhile Advantage tried to arrange an inspection of the car by an engineer, but Mr B had repairs carried out before the engineer could inspect. He then asked Advantage to pay the £1,000 repair bill. He queried why its repairer had estimated much more than that for repairs.

Advantage didn't pay the bill because the car was a total loss and Mr B had decided not to make a claim. Its engineer hadn't been able to check for any extra damage to the car. Mr B made a complaint on 13 July 2015. He also said he should have been given a hire car, that his car shouldn't have been written-off and that he shouldn't have been charged for the car being delivered back to him. Mr B also said Advantage hadn't returned a call as promised.

Advantage paid Mr B compensation for not returning the call and for a short delay on its part. It didn't agree with any of Mr B's other complaints.

Our adjudicator thought Advantage had acted reasonably. Mr A on behalf of Mr B disagreed, so the complaint was passed to me for review.

my findings

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

Mr A and Mr B seem to think Advantage and its approved repairer 'exploited' Mr B. As far as I can see they haven't provided anything to show that's the case. I agree with the adjudicator that Advantage and the repairer seem to have acted fairly and reasonably.
Mr B's been told he must pay the remaining premium because his insurer paid the costs of the other party to the accident. The full premium's payable even though Mr B hasn't claimed on the policy himself. There's nothing unreasonable about that because Mr B was responsible for the other party's costs. He can't show Advantage was wrong to pay them.

It's unfortunate Mr B's premium's very high compared to the value of his car, but Advantage can't be blamed for that. Mr B seems to think he shouldn't have to pay the rest of the premium partly because he didn't have the use of the car for some time after the accident.

But legally it still had to be insured, so that's fair. Mr B was very upset about the way his direct debit payments were changed, but that wasn't done by Advantage.

Advantage decided Mr B's car would cost too much to repair, given its market value. Under the policy Advantage was entitled to make that decision. It has discretion about how to deal with claims. We don't interfere with an insurer's decisions as long as they're reasonable. Mr B thinks the damage to his car was minor, but the engineer's report clearly shows that's not so. I think Advantage's decision was reasonable. A courtesy car wasn't provided because Mr B's car wasn't going to be repaired. I think that was also fair.

It was always very likely Mr B would be able to have his car repaired elsewhere for much less than the price quoted by the approved repairer. But it's not likely to be to the standard insurers insist on. Mr B hasn't provided anything to show the view of the approved garage's engineer was wrong or that the car shouldn't have been written-off.

After Advantage told Mr B it wasn't going to carry out repairs under the policy, he said he wasn't making a claim. Given that fact, I can't see why Mr B would have expected Advantage to pay for the repairs he later had done privately.

Advantage also told Mr B he'd be charged for having the car returned to him by its agent. But as it was Mr B's choice to have the car back, I don't see why Advantage should have had to pay for it. When Mr B said he'd spotted extra damage, Advantage agreed to pay an independent engineer to inspect the car. He wasn't able to do that before Mr B had the car repaired. Again, that was Mr B's choice. It wasn't fair to ask Advantage to pay for damage it hadn't seen. Mr B says he still has parts taken from the car after the accident and Advantage said it would inspect them. I haven't seen anything to show it agreed to do that, or why.

I don't think there's anything to show that Advantage caused undue delay in dealing with this matter. Mr B changed his mind about how he wanted to proceed more than once. That slowed the process down. Mr B hasn't shown Advantage didn't generally communicate with him properly. I don't agree with Mr A or Mr B that any further compensation's due.

my final decision

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 B to accept or reject my decision before 15 February 2016.

Susan Ewins
ombudsman