

The complaint

Mr P has complained about delays by Advantage Insurance Company Limited in assessing a claim under his motor insurance policy.

What happened

The details of this complaint are well known to both parties, so I won't repeat them again here. In summary Mr P uploaded images of his damaged car on 1 February 2023 – but the damage wasn't assessed until March 2023 and settlement not made until mid-April. It is this delay about which Mr P now complains. I note there are other aspects of Mr P's claim that are still unresolved but in this decision I am considering only the complaint about delay.

Our investigator recommended that Advantage compensate Mr P in the sum of £400. Mr P accepted this, but Advantage disagreed – it felt that £200 was sufficient.

As no agreement has been reached the matter has been passed to me to determine.

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 aware I've summarised the background to the complaint, no discourtesy is intended by this. Instead, I've focused on what I find is the key issue here. Our rules allow me to take this approach. It simply reflects the informal nature of our service as a free alternative to the courts. For the following reasons I agree with the conclusion reached by our investigator:

- The relevant regulator's rules say that insurers must handle claims promptly and fairly. So I've considered, amongst other things, the terms of Mr P's policy to decide whether I think Advantage treated him fairly.
- Mr P's policy does entitle him to a replacement car once his car is being repaired by one of Advantage's nominated repairers. This never happened – his car wasn't repaired and Advantage ultimately decided Mr P's car was a write off. It isn't in dispute that there was a period of over two months period where Mr P was without a claim settlement or replacement car. Mr P made Advantage aware of the difficulties this placed him in. Had the delay not occurred he wouldn't have been in this position for this extended period.

- I'm satisfied that the unnecessary delay in deeming Mr P's car a total loss caused him inconvenience, stress and financial loss. He didn't have use of another car and didn't know if he would always be able to get a lift into work each day for 7am – at a location where there is no public transport. On occasion he needed to use his annual leave as he couldn't get in. I find that compensation is merited. I haven't disregarded the spreadsheet of costs Mr P has submitted, but taking the loss of use together with the impact on Mr P I find that £400 in compensation is fair and reasonable in the circumstances for the delay he experienced.

My final decision

My final decision is I uphold this complaint. I require Advantage Insurance Company Limited to pay Mr P £400 in compensation.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr P to accept or reject my decision before 1 April 2024.

Lindsey Woloski
Ombudsman