

The complaint

Miss G has complained about the way Advantage Insurance Company Limited handled her claim under her car insurance policy. Reference to Advantage includes its agents.

What happened

The background to this complaint is well known to Miss G and Advantage. In my decision, I'll focus mainly on giving the reasons for reaching the outcome that I have.

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.

Having done so, I agree with the conclusions reached by the investigator for these reasons:

- The evidence suggests that Advantage did not make it clear to Miss G at the outset that her claim was being referred to an accident management company (the AMC), as opposed to it being dealt with under her policy.
- I do not think Miss G would have agreed to this if she had understood what was happening and instead would have asked Advantage to deal with her claim under her policy. This means I consider it fair and reasonable for Advantage to be held responsible for the delays Miss G experienced and any costs she incurred as a result of the AMC's involvement.
- Miss G was without a car as a result of the AMC's involvement between January and July 2023 and I think Advantage should be held responsible for this. And I agree with our investigator that £700 is fair and reasonable compensation for the distress and inconvenience Miss G experienced because of this.
- I also consider it is fair and reasonable for Advantage to reimburse any additional costs Miss G incurred due to not having a car in the abovementioned period, such as taxi costs and public transport costs. This is subject to Miss G providing reasonable evidence of these costs and any costs she would have incurred if she had a car, such as fuel costs, can be deducted.
- Advantage should also reimburse any amounts Miss G had to pay to the hire car company used by the AMC, as she only incurred these costs due to Advantage not making things clear to her at the outset.
- Advantage should also add interest to the amounts it reimburses at 8% per annum simple from the date Miss G paid them to the date of reimbursement to compensate her for being without these funds.
- I also agree with our investigator that Advantage's failure to explain her claim was being passed to the AMC caused Miss G further distress and inconvenience. And I agree a further compensation payment of £300 is appropriate for this.
- If Advantage has already paid any compensation to Miss G for distress and inconvenience, it can deduct this.

Putting things right

For the reasons set out above, I've decided to uphold Miss G's complaint and make Advantage do the following:

- Pay Miss G a total of £1,000 in compensation for distress and inconvenience, less any amount it has already paid her.
- Reimburse any additional costs Miss G incurred due to not having a car in the period between January and July 2023, such as taxi costs and public transport costs. This is subject to Miss G providing reasonable evidence of these costs and any costs she would have incurred if she had a car, such as fuel costs, can be deducted.
- Reimburse any amounts Miss G had to pay to the hire car company used by the AMC.
- Advantage should also add interest to the amounts it reimburses at 8% per annum simple¹ from the date Miss G paid them to the date of reimbursement.

My final decision

I uphold Miss G's complaint about Advantage Insurance Company Limited and order it to do what I've set out above in the 'Putting things right' section.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss G to accept or reject my decision before 26 March 2024.

Robert Short
Ombudsman

¹ Advantage must tell Miss G if it has made a deduction for income tax. And, if it has, how much it's taken off. It must also provide a tax deduction certificate for Miss G if asked to do so. This will allow Miss G to reclaim the tax from His Majesty's Revenue & Customs (HMRC) if appropriate.