

## **complaint**

Mrs W complains about how Advantage Insurance Company Limited is handling a claim made on her motor insurance policy. She wants compensation.

## **background**

Mrs W was involved in an accident with a motorcycle in 2015. Advantage initially thought Mrs W was at fault. But it then further considered the evidence and decided that liability lay with another third party. It said it instructed its agents to dispute the claim against Mrs W. In 2018, Mrs W complained that the matter was still ongoing. Advantage agreed that it could have handled the claim better and offered Mrs W £200 compensation. But Mrs W was unhappy that the matter still wasn't settled.

After Mrs W brought her complaint to us, Advantage offered her a further £100 compensation as its agents still hadn't yet progressed the claim. But Mrs W was unhappy with this.

Our adjudicator recommended that the complaint should be upheld. Liability has still to be settled, so he didn't comment on this. But he thought Advantage should pay Mrs W further compensation for the distress and inconvenience caused by its level of service over three years. He thought it should offer Mrs W £500 in total.

Advantage replied that this was excessive. It said there was no guarantee that the claim would have been settled earlier if there hadn't been service failings.

## **my findings**

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

It's about the third anniversary of Mrs W's accident, so I can appreciate that she feels that it's taking a long time to settle this matter. I can see that liability is still in dispute, so I won't comment on that further. I can also see that Advantage has instructed its agents to pursue the matter in court if needed. I think that's fair and reasonable as it's likely to finalise the claim.

What remains for me to consider is the level of service Advantage has provided to Mrs W over the past three years and its offer of compensation for this.

Mrs W said that over the three years Advantage hadn't written to her or called to tell her what was happening with the claim. She said that it didn't contact her two witnesses until she prompted it to contact them.

Advantage agreed that there had been service failings. It listed these and I've added others I've seen in its file notes:

- It didn't accurately record the actual circumstances of the accident.
- There were lengthy periods when the claim wasn't progressed and it didn't update Mrs W even when there had been developments.
- It didn't proactively contact the two witnesses until prompted by Mrs W.
- It didn't respond to numerous information requests from the motorcyclist's solicitors, so that Mrs W received County Court summons.

- It didn't call Mrs W when she requested this and this caused her frustration on several occasions.
- The wrong department dealt with the claim. The claim was wrongly assigned to recoveries when liability was still not settled which I think contributed to delays.
- It took three attempts to pass its instructions to its own solicitors. And, after Advantage recognised this, it failed again to successfully instruct its solicitors.

Advantage said there was no guarantee that the claim would have been settled earlier if there had been better service. But I think its level of service caused significant avoidable delays on many occasions. It could have checked that its own solicitors had been successfully instructed, especially as this had failed on three earlier occasions. It could have directed the claim to the right department or corrected this earlier. I think it could have responded to the other party's solicitor's many requests and so have avoided the summons.

The impact on Mrs W is that she has had an open claim on her record for three years, which is recorded as a fault and affects her No Claims Discount. She has had the worry, frustration and anxiety of the unsettled claim, the summons and the lack of updates. She's had the inconvenience of having to pursue Advantage for updates and to remind it to contact her witnesses.

Advantage initially offered Mrs W £200 compensation, largely, as far as I can see, for its poor communication with her. It then offered her a further £100 for the delay caused by its fourth unsuccessful instruction of its solicitors. So I think Advantage has yet to compensate Mrs W for its poor handling of her claim and the significant avoidable delays this caused. I agree with the adjudicator that it should pay Mrs W a further £200 compensation for the distress and inconvenience caused by this.

Advantage said this was an excessive amount. But I think this fairly reflects the impact of its level of service on Mrs W over three years, a significant period.

### **my final decision**

My final decision is that I uphold this complaint. I require Advantage Insurance Company Limited to pay Mrs W £300 further (£500 in total) compensation for the distress and inconvenience caused by its level of service.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs W to accept or reject my decision before 5 January 2019.

Phillip Berechree  
**ombudsman**