

The complaint

Mr M has complained about the way U K Insurance Limited trading as Privilege (UKI) has dealt with his claim under his motor policy following an accident.

What happened

Mr M was parked when another driver hit him from behind. He was in the driver seat with his young daughter in the back. He said he had been dangling his keys to amuse her and they had slipped between the driver's seat and the door and he was in the process of retrieving them with his hand when the other driver struck his car.

Mr M said his watch which he wore on his right hand consequently made a small tear in the armrest or handle due to the jolt. He wanted UKI to repair this in addition to the other accident damage to his car.

UKI refused because it decided it didn't happen as Mr M said. Mr M complained but UKI wouldn't change its stance. So, Mr M brought his complaint to us. The investigator didn't think UKI had done anything wrong. Mr M disagreed so his complaint was passed to me to decide.

I issued a provisional decision on 22 February and I said the following:

'Essentially UKI don't believe the tear to arm rest on the door was caused by the accident.

I've listened carefully to the engineer's call with UKI when he had inspected the car in November 2021 (the second inspection) and from that I can see why UKI came to that decision. It's very clear the engineer simply doesn't really believe Mr M's account of the how the damage occurred. He notes Mr M wasn't wearing a watch on the day of the inspection and pauses significantly after saying that. He also doesn't believe such damage would be covered under the policy and he believes the other driver's insurers simply won't pay for it.

However, what's missing is any scientific or plausible reason why a watch caught in the middle of the jolt of the other driver hitting the back of Mr M's parked car couldn't make this tear in the armrest attached to the door as Mr M said it did. It seems perfectly plausible to me that it could have happened as Mr M said. Damage to a car's interior is covered by any motor policy including if it was caused by another driver crashing into the back of a parked car. Such damage could be caused by anything unsecured being jolted by the impact. So, I fail to understand why this engineer didn't know that. And in that case, it's then properly payable by the other driver's insurers if the accident wasn't the policyholder's fault which is the case here.

I also consider Mr M's account is truthful as he has been consistent on precisely what happened and how the damage occurred, throughout his dealings of this element of his claim that this was damaged in the manner he said it was.

This is minor element of damage which Mr M has claimed happened from the outset in a truthful plausible manner which hasn't warranted the extent of effort UKI has shown in refusing to include it in Mr M's claim. Sadly, UKI doesn't have any call recording between Mr M and the first engineer because it was most likely made from the engineer's mobile phone. Initially UKI said Mr M didn't report this damage immediately after the accident, then it agreed he did report it. So, there has been fairly extensive confusion initially, as to what Mr M said with UKI wrongly believing Mr M didn't ensure this damage was claimed for too.

I consider that coloured matters considerably against Mr M ensuring that UKI unreasonably took the view it simply didn't happen as Mr M said. I don't consider that's reasonable, however. I haven't seen any cogent evidence as why Mr M's watch could not have caused this damage. Mr M wore his watch on his right hand and his watch looks fairly robust from the photos of it, so it appears perfectly reasonable to me it most likely caused this tear in the manner he said. The photographs showing Mr M's seatbelt often got caught in the door don't appear at all relevant to me as to the tear on the armrest either.

So, I consider the repair costs of this tear, minor and all as they appear, should be part of Mr M's claim.

It's clear that Mr M was very frustrated by UKI's refusal to accept this as part of his claim and that it didn't believe him. I can see that it all caused him very unnecessary distress and inconvenience, more because he wasn't being believed. Further there were instances where it's clear according to Mr M's account that UKI's advisers and agents were less than professional in their manner towards him. Indeed, UKI acknowledged this in its final response letter by paying him £25 compensation.

However, I don't consider that's enough to compensate Mr M here for the extent of distress caused by varying advisers and agents of UKI and I consider the total amount should be £150 compensation. That's more in line with awards I have made previously in similar circumstances where a policyholder's account of what happened wasn't believed unfairly.'

Mr M accepted my provisional decision. UKI didn't. It refers to the call recordings notes saying Mr M said it happened after the impact. So, it felt this matter should be dealt with by a separate claim.

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 again, I remain of the view this complaint should be upheld for the reasons I explained in my provisional decision, namely that there was no call recording with the first engineer and UKI was confused over whether Mr M reported it at the time or afterwards.

UKI agreed finally that Mr M did report it at the time. Further having listened to the call recordings it's clear the engineer simply didn't believe Mr M account of how the damage occurred. He was also very concerned that the other insurers simply wouldn't pay for it.

As I said in my provisional decision, I consider Mr M has been consistent of his account

throughout. So, I don't consider there is anything new to change my reasoning as given in the provisional decision.

My final decision

So, for these reasons it's my final decision that I uphold this complaint.

I now require U K Insurance Limited trading as Privilege to do the following:

- Accept the tear in the armrest door is damage from this accident for which Mr M can't be at fault since it was rear end shunt accident.
- Arrange for its repair and claim the costs of the same from the other driver's insurers, ensuring Mr M is at no disadvantage.
- Pay Mr M at total of £150 compensation inclusive of the £25 already paid.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr M to accept or reject my decision before 7 April 2022.

Rona Doyle
Ombudsman