

## **The complaint**

Miss E says West Bay Insurance Plc misled her in relation to a claim she made on her motor insurance policy and provided poor service in general.

## **What happened**

Miss E's car was damaged by another vehicle whilst it was parked and unattended. The other driver accepted liability. When Miss E called a number provided with her policy documents to make a claim, she thought she was dealing with her insurer. In fact, the number was issued by her broker, and she was directed to an accident management company ('firm K') that deals with non-fault claims. Later on there was a dispute between Miss E and firm K about part of the car's repairs, as it didn't think an issue was caused by the accident. So Miss E called West Bay. It said she'd have to make a claim on her policy.

West Bay then instructed an independent engineer to assess the car. He said it needed diagnostic checks at a dealership garage. West Bay said Miss E would have to pay for that, and she spent £350 on the checks. West Bay then said it couldn't deal with her claim, given that firm K had done so. Miss E wasn't happy with that – and by then, she'd made many calls and had sent many emails to West Bay. She says she was left out of pocket and had suffered stress due to its poor service.

One of our investigators reviewed Miss E's complaint. He didn't think West Bay was wrong to decide it couldn't look at the repair issue, given firm K's previous involvement. But he said West Bay's actions had raised Miss E's expectations, and she'd spent money as a result. He thought she'd have had to get diagnostic checks done anyway (to dispute the decision made by firm K). But he said West Bay should refund her call charges (with interest) and pay her £150 compensation for distress and inconvenience.

Miss E didn't accept the investigator's view, so the complaint was referred to me for review.

## **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.

West Bay accepts that it should have referred Miss E back to firm K at the start, as there was no new claim for it to deal with. But I think it was reasonable for it to say that its involvement was useful to Miss E. Its independent engineer didn't agree with firm K that the disputed fault wasn't accident related. He left its cause open, pending investigation by a dealership garage. I think Miss E would always have needed to get diagnostic checks done, in order to challenge firm K's decision with any prospect of success. So I don't think West Bay should have to refund the £350 she spent on them.

In my opinion, it was reasonable for West Bay to decide it couldn't deal with the disputed issue, as it was part of the claim being dealt with by firm K. But in starting to assist Miss E in

error, I think West Bay raised her expectations, so it was a blow to her when she found it wouldn't be dealing with her claim after all. And when calling West Bay Miss E faced long waiting times before being cut off. She's shown that she also had to chase responses to the emails she sent it. I think the communication issues with West Bay caused her stress and inconvenience, most of which could have been avoided, but for its poor service.

Miss E has complained to her broker about its actions and has referred that complaint to us, which we'll consider separately. Regarding her complaint about firm K, I can see she's raised her concerns with it, and she has also referred them to us. But I'm unable to comment on that complaint, as it relates to the actions of a separate business.

I sympathise with Miss E, who has found herself in a very difficult situation. I think it was reasonable for her to assume the car would be fully repaired, at no cost to her. Instead, having paid for diagnostic checks. Miss E now faces a large bill for the car's remaining repairs. But I don't think West Bay is responsible for that, for the reasons stated above. And although Miss E thought she was dealing with her insurer when she called the number issued by her broker, West Bay had provided its own claims number in the policy booklet. Had Miss E called that number instead, her claim would have been dealt with by West Bay.

As I think West Bay caused Miss E distress and inconvenience by starting to deal with her claim in error, I think it would be fair and reasonable for it to put matters right by paying her £150 compensation, and by refunding her call charges, with interest. I know Miss E won't be happy with my decision, but I don't think it would be fair to require West Bay to do more.

### **My final decision**

My final decision is that I uphold this complaint. I require West Bay Insurance Plc to pay Miss E £150 compensation for distress and inconvenience and to refund her call charges. It should add interest to the latter sum, at the simple yearly rate of 8%, from the date of payment to the date of settlement.

If West Bay thinks it's required by HM Revenue and Customs to withhold income tax from the interest, it should tell Miss E how much it has taken off and provide a tax deduction certificate if required, so she can reclaim the tax if appropriate.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss E to accept or reject my decision before 24 April 2023.

Susan Ewins  
**Ombudsman**