

## **The complaint**

Miss P has complained about the way her insurer Watford Insurance Company Limited dealt with a claim made under her car insurance policy.

All reference to the insurer Watford in my decision includes its agents.

## **What happened**

In July 2022 Miss P's named driver was involved in an incident with another car. She reported it to her insurer, Watford.

Watford arranged for Miss P's car to be taken to storage. It then arranged for Miss P's car to be returned to her and Miss P brought her car to an approved repairer (AR) for an estimate. The AR advised Watford that it couldn't yet take Miss P's car to carry out repairs.

When Miss P's car was returned to her from storage, she identified additional damage not related to the incident.

In August 2022 Miss P complained to Watford. She was unhappy with the lack of updates about her claim, about the delay in getting her car repaired and the additional damage she said the storage agent had caused.

Miss P was also unhappy about being charged an additional premium for a change in occupation for the named driver.

Watford didn't uphold Miss P's complaint. It said when Miss P had called for updates, it had correctly transferred her to the relevant departments. It said the broker was responsible for applying an additional premium and it had passed this complaint to them. It said the storage agent had dealt with Miss P's complaint about the additional damage separately. But Watford had agreed to arrange for the incident related damage and the damage caused by the storage agent to be carried out by their AR.

Miss P remained unhappy and asked us to look at her complaint. She said she hadn't arranged for her car to be repaired because she had to make a further payment of £600 which she didn't think was fair.

Our Investigator established that the payment being asked for by Miss P was the excess of £650 owed under the policy. Having clarified this, the Investigator explained that Miss P owed this if she wanted the repairs to her car to be done irrespective of whether she believed the named driver was at fault for the incident, which Miss P accepted.

Miss P told us her car was booked in for repairs in February 2023.

The Investigator recommended Watford pay Miss P £300 compensation for the distress and inconvenience caused by its delay arranging repairs, lack of communication between suppliers and general lack of urgency to progress repairs.

Watford didn't agree and asked for an ombudsman decision. It didn't provide any comments.

## **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 understand that the storage agent offered Miss P an award to meet the costs of repairing the damage it caused. Notes provided by Watford show that the storage agent said it would pay Miss P £250 as a final offer for the damage it had caused to her car.

As the storage agent is an approved supplier of Watford, the insurer is responsible for the actions by it under the claim. Watford hasn't provided any further details to show that this part of Miss P's complaint was resolved.

In a note dated 28 September 2022 Miss P queried the excess payment and Watford explained that she needed to pay it. It said it was possible to consider reimbursement of the excess, but that depended on the outcome with liability. This is correct - and so I'm satisfied that Miss P was made aware that she needed to pay the excess as the first part of her claim in order to have her car repaired.

It's clear that Miss P called Watford for updates on her claim, on when her car would be assessed for being repaired, and about liability. Watford hasn't shown that it was proactive in providing updates on the claim and arranging for Miss P's car to be assessed.

Two weeks after the incident, Watford arranged for Miss P's car to be returned to her from the storage agent as although it was deemed repairable, the AR said it wouldn't be able to book her car in for repairs yet.

When Miss P's car was returned to her, she discovered further damage to her car which she was very upset about.

It's difficult to tell from the information Watford has given us what contact it made with the third party and Miss P to progress her claim and advise of the next steps. I can see that Miss P was concerned that the costs of the additional damage (caused by the storage agent) would form part of her claim costs which she says isn't fair - especially if this affects the price she pays at renewal as a result of the claim. I can't see that Watford has addressed this concern for Miss P.

Watford agreed to cover the costs of the additional damage when the AR carries out the incident related repairs. But it shouldn't record the additional damage costs on any database in relation to the claim - as this damage is separate to the claim costs. Watford's notes show it intends to invoice the storage agent separately for the additional damage costs - as they do not fall under the claim costs.

While it was explained to Miss P that she would need to pay the excess in September 2022, I cannot see any evidence of Watford's actions as the insurer in ensuring the claim was progressed.

So from the information I've seen, I think Watford has provided a poor service to Miss P. I think it caused delay in arranging repairs, and there was a lack of communication between suppliers and a general lack of urgency to progress repairs. I can understand Miss P's upset at having her car returned to her with further damage. So I agree with the Investigator's recommendations and I think Watford should pay Miss P £300 compensation for the distress and inconvenience caused.

### **My final decision**

My final decision is that I uphold this complaint. I require Watford Insurance Company Limited to pay Miss P £300 compensation for the distress and inconvenience caused.

Watford Insurance Company Limited should ensure it records only the claim related costs on any databases and not the additional damage costs it has agreed to cover caused by the storage agent.

Watford Insurance Company Limited must pay the compensation within 28 days of the date on which we tell it Miss P accepts my final decision. If it pays later than this it must also pay interest on the compensation from the date of my final decision to the date of payment at a simple rate of 8% a year.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss P to accept or reject my decision before 12 July 2023.

Geraldine Newbold  
**Ombudsman**