

## **The complaint**

Mrs K complains One Insurance Limited are pursuing her for the cost of recovery and storage charges incurred after her car was involved in an incident. She also complains personal possessions were removed from her car and not returned.

## **What happened**

This service has previously considered a complaint about how One Insurance dealt with the underlying claim. A final decision on that complaint found that One Insurance did not handle it correctly. Its actions likely caused Mrs K to cancel the claim unnecessarily and opt to arrange repairs to her vehicle privately. Mrs K was awarded compensation for the trouble and upset she was caused.

This complaint follows on from that and is about One Insurance pursuing Mrs K for recovery and storage costs incurred prior to the claim being cancelled. Mrs K also claims for the loss of personal possessions.

Our investigator looked into the complaint thought given the circumstances of how the claim came to be cancelled, One Insurance had acted unreasonably in pursuing Mrs K for the fees. She recommended that One Insurance register the cost of the recovery and storage fees against a claim on the policy, subject to Mrs K's agreement - with Mrs K being aware of the impact that may have going forward. Alternatively, the investigator explained Mrs K could choose to pay those fees to One Insurance so the record would show the whole incident as notification only.

The investigator thought that it was more likely than not Mrs K's personal possessions were in the car when it went to the storage compound. And as they were not returned to her, One Insurance should pay Mrs K an equivalent amount to what it would cost Mrs K to replace them, £82.93.

The investigator also thought £100 compensation should be awarded to reflect the trouble and upset One Insurance's actions have caused. And, she explained to Mrs K she didn't think it would be reasonable to ask One Insurance to make a payment to her relatives for the time they spent helping her retrieve her car from the storage compound.

Mrs K accepted the investigator's opinion, but One Insurance did not respond despite being reminded.

The case has therefore been passed to me to decide.

## **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 the following reasons:

- It has already been decided by this service that One Insurance's action in relation to the underlying claim likely led Mrs K to cancel the claim unnecessarily.
- Usually, fees for recovery and storage charges would be added to a claim. Given the circumstances of how the incident happened, this claim, had it progressed, would most likely have been recorded as a fault claim as there was no third party to recover costs from. So, these fees would have simply been registered as a cost against the claim. They are fees that insurers naturally incur as part of claims and therefore I wouldn't expect Mrs K to be asked for a contribution towards these by way of payment of an excess.
- I don't think One Insurance acted reasonably by pursuing Mrs K for these fees in the first instance. I think it should have made contact with her to discuss the situation and set out her options. By pursuing her and threatening court action, it has caused her trouble and upset.
- I think One Insurance should now offer those options to Mrs K. For the fees to be registered against the claim, and for it to register as a 'fault' claim or giving Mrs K the option to pay them so the claim records as notification only.
- If One Insurance has separately incurred fees for how it has administered this amount so far, I don't think it would be reasonable to pass this cost onto Mrs K as I have found it has acted unreasonably in taking this action.
- Based on the evidence provided by Mrs K, I think it is more likely than not her personal possessions were in the car when it was recovered, and as such, they should have been returned to her. I think she has made reasonable attempts to locate them and have them returned but this has not happened. So, I think it is reasonable to conclude they are now missing or have been disposed of.
- Mrs K has explained what it would cost for her to replace them now, £82.93, so I think One Insurance should pay an equivalent amount to Mrs K so she can do this.
- The impact to Mrs K of One Insurance's handling of the claim has been considered under a previous complaint at this service. It recognises she was caused inconvenience and compensation was awarded. I won't therefore consider separately here whether, what essentially amounts to inconvenience payments, should be made to family members as they had to help Mrs K collect the car from the storage compound. I think that inconvenience overall has already been recognised in the previous complaint.
- I do however think buy chasing Mrs K for costs and threatening legal action One Insurance has caused her further trouble and upset. So, I think it should pay her £100 compensation to reflect this.

For the reasons set out above, I uphold this complaint.

### **Putting things right**

To put things right, One Insurance Limited should do the following:

Contact Mrs K and offer to add the cost of recovery and storage charges to the claim, she would not need to pay an excess, but One Insurance would be entitled to register the claim in the way it normally would.

Alternatively, Mrs K should be given the option of paying the recovery and storage fees incurred. Again, One Insurance would then register the incident in the way it normally would but with no fees registered against it.

Pay Mrs K £82.93 to allow her to replace her personal possessions.

Pay Mrs K £100 compensation to reflect the trouble and upset she has been caused.

### **My final decision**

My final decision is that I uphold Mrs K's complaint against One Insurance Limited. I direct it to put things right as I have set out in the section above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs K to accept or reject my decision before 3 November 2023.

Alison Gore  
**Ombudsman**