

The complaint

Miss W complains about the service she received from One Insurance Limited in relation to a claim under her motor insurance policy.

One Insurance is the underwriter of this policy i.e. the insurer. Part of this complaint concerns the actions of its agents. As One Insurance has accepted it is accountable for the actions of the agents, in my decision, any reference to One Insurance includes the actions of the agents.

What happened

In early 2023, Miss W contacted One Insurance to notify it that her car had been damaged in a car park. She said the damage was around the passenger's side wheel arch and there was also damage to the driver's side door which had happened on other occasions in the same car park.

Miss W says she couldn't afford to pay the £400 policy excess at the time, so she decided to wait a few months before proceeding with her claim. After Miss W paid the excess, One Insurance arranged for Miss W's car to be taken to a garage and she was provided with a hire car. However, she was told by the garage that only the main damage to the wheel arch would be repaired. If she wanted to claim for the other damage, she'd need to pay £400 for each dent.

Miss W was unhappy that this hadn't been made clear to her prior to her going ahead with the claim. She asked One Insurance to return her car and the excess she had paid. One Insurance told her that if her car was returned, she'd be liable for costs.

Miss W decided to go ahead with the main repairs and raised a formal complaint with One Insurance.

One Insurance said that in Miss W's initial call, the agent didn't mention that there would be a separate excess for damage as a result of another incident because it wasn't highlighted that she was claiming for any pre-existing damage.

Miss W remained unhappy and asked our service to consider the matter. Our investigator thought Miss W's complaint should be upheld and recommended One Insurance pay Miss W £100 to compensate her for distress and inconvenience.

One Insurance disagreed with our investigator's outcome. It said it appreciated Miss W felt the agent could have better explained that pre-existing damage would not be covered, but she was provided with full information on repairs to be made before booking them in and paying the excess. So, the complaint has 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've decided to uphold Miss W's complaint. I'll explain why.

The relevant industry rules require insurers to provide reasonable guidance to help a policyholder make a claim and appropriate information on its progress.

When Miss W first phoned One Insurance to notify it of her loss in January 2023, she said she'd noticed a dent in the wheel arch which had happened when her car was parked in a car park while she was at work. She also said that there was damage where it looked like people had caught her door on the driver's side on separate occasions. She thought if she got the car repaired, her door could also be done.

The agent told Miss W she would have to pay her excess of £400 if she decided to go ahead with the claim. She didn't mention that there would be separate excesses to pay if Miss W wanted the damage to her door to be repaired.

Miss W called One Insurance in May 2023 to say that she wanted to go ahead with her claim. Near the beginning of the call, the agent asked when the accident happened. Miss W said the biggest dent was in January, but damage had been done gradually. It was done in a car park. There were dents to her car where people had hit it with doors and there was lots of damage to it. The car was on lease, and she needed to get it repaired.

Later in the call, Miss W was told the excess would be payable on booking of repairs. She'd be sent a link to questions and a request for images of the damage, and she could pay the excess when the link came through.

One Insurance says Miss W was provided with full information on repairs to be made before booking them in. However, I haven't seen evidence to support this. Miss W says she was advised that she would have to pay further excesses if she wanted the minor dents to be removed, about a week after the car was taken from her.

Having listened to the phone calls, I don't think One Insurance provided Miss W with clear information about what would be covered under her claim. I think Miss W made it clear that she wanted the minor dents to be repaired alongside the main damage.

The invoice from One Insurance's approved garage was around £1,000. So, I think it's likely that Miss W would still have gone ahead with her claim for the main damage if One Insurance had told her the minor dents weren't covered. However, it was frustrating for Miss W to find out later that they weren't. And I think it was particularly upsetting for her to find that she'd be liable for costs if she wanted her car returned without the repairs going ahead. So, I think £100 would reasonably recognise the impact One Insurance's poor communication has had on Miss W.

Putting things right

One Insurance should pay Miss W £100 for distress and inconvenience.

My final decision

For the reasons I've explained, I uphold Miss W's complaint and direct One Insurance Limited to put things right by doing as I've said above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss W to accept or reject my decision before 25 December 2023.

Anne Muscroft
Ombudsman