

The complaint

Mrs T has complained that West Bay Insurance caused delays and provided a poor service when she made a claim under her car insurance policy.

What happened

In May 2023 Mrs T made a claim for damage to her car following an incident involving a third party through her broker.

On 21 June 2023 Mrs T contacted West Bay to say she'd been advised that the garage looking at her car couldn't repair it due to previous poor repairs. West Bay took over the handling of the claim under her insurance policy.

Between June 2023 and November 2023 Mrs T went back and forth between the broker, the car hire company, the garage and West Bay. Each party Mrs T contacted said one of the other party's was responsible for paying the garage's storage fees. Until this was paid, Mrs T's car wasn't released.

West Bay settled Mrs T's claim by paying a cash settlement for the repairs. Mrs T accepted the cash settlement in October 2023. I understand Mrs T was able to collect her car in November 2023 as the storage fees were paid.

During this period, Mrs T complained to West Bay three times. Although one of these complaints was responded to by West Bay after Mrs T contacted us, in December 2023, it says this service can consider all three complaints together for Mrs T.

West Bay said it wasn't responsible for delays in dealing with Mrs T's claim. It said it too had been passed between the car hire company and the garage when it took over the claim.

However, in December 2023 West Bay said that it should have settled the garage's storage fees on 30 August 2023 – when its engineer confirmed a cash settlement for the repairs to Mrs T's car. West Bay said it should have paid the storage fees then and looked to recover these claim costs later (from the third party). West Bay apologised for failing to take this action sooner.

In total West Bay paid Mrs T £275 compensation for a delay of three months in the handling of her claim (£200) and for the long wait times Mrs T had experienced when calling it (£75).

Our Investigator thought West Bay hadn't done enough to put things right. She recognised that West Bay wasn't responsible for all of the delay, but she thought West Bay could have paid the storage fees (to enable the release of Mrs T's car) around June 2023, and so she thought it was responsible for around six months delay, rather than three.

The Investigator recommended West Bay increase the compensation it pays to a total of £500, so an extra £225.

Mrs T had complained about having the excess deducted from the cash settlement as she wasn't at fault for the incident. But West Bay hadn't received an admission of liability from the third party – and had regular chased for this. It explained that once it received this, it could waive the excess. The Investigator thought this was fair.

Both parties disagreed with the Investigator's view. Mrs T says she had to pay for a replacement battery when she collected her car because of the length of time it had been left at the garage. She wanted this cost to be considered as a financial loss. She said the additional compensation amount isn't enough to reflect the stress and inconvenience she was caused. She said she had to do all of the work and wants a refund of her insurance premium.

West Bay says it has paid a fair compensation amount to reflect the delay and poor service it is responsible for.

So the case 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.

I'm satisfied that West Bay correctly explained that it would deduct the excess if it didn't receive an admission of liability from the third party for the claim. The excess is the first part of any claim, irrespective of who is at fault. West Bay has shown that it has regularly chased the third party for admission of liability. So I don't think it has acted unreasonably here.

West Bay's notes show that it was aware of the circumstances of Mrs T's claim on 21 June 2023. On 22 June 2023 Mrs T raised the first of three complaints between June and November 2023. The crux of her complaints was that she was being passed between businesses as to who was responsible for paying the relevant fees to have her car released for assessment and/or repair. Mrs T wanted her insurer, West Bay, to deal with her claim.

During this time, Mrs T was using a hire car which required return. This caused Mrs T considerable worry as she needed a car to go to work. She found it difficult to deal with the issue as she works in a classroom and so had limited flexibility as to when she could make and receive calls. This caused Mrs T significant distress and inconvenience.

On 1 December 2023 West Bay upheld Mrs T's complaint that it should have taken action sooner to deal with the claim. It says it should have settled the storage fees with the garage on 30 August 2023, and so it accepted responsibility for a delay of three months.

But I think it could have taken this action sooner – as it was aware of the issue with storage fees on 21 June 2023. So I agree with the Investigator that the delay caused by West Bay amounts to around six months, rather than three.

The Investigator asked Mrs T to provide evidence of the costs she paid for a replacement battery to be fitted to her car. But Mrs T hasn't provided this.

I understand both parties disagree with the recommended increase in compensation by the Investigator. And I appreciate that West Bay isn't responsible for all of the delay. But I think a total compensation award of £500 to reflect the delay caused by West Bay and long wait times in calls which Mrs T made during this time is reasonable and in line with awards we make for similar cases. So I am upholding this complaint in line with the Investigator's recommendations.

My final decision

For the reasons I've given above, my final decision is that I uphold this complaint. I require West Bay Insurance Plc to increase the compensation it pays Mrs T to £500, so an additional £275, for the distress and inconvenience caused.

West Bay Insurance Plc must pay the compensation within 28 days of the date on which we tell it Mrs T 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 Mrs T to accept or reject my decision before 12 April 2024.

Geraldine Newbold
Ombudsman