

The complaint

Mr C complains about delays in West Bay Insurance Plc (West Bay) arranging repairs to his car following an accident, and a premium increase due to an ongoing claim at renewal, under his motor insurance policy.

What happened

Mr C says he skidded on some ice on his driveway, which resulted in a collision. This caused damage to his car. He made a claim to West Bay, and it arranged for the necessary repairs. Mr C says whilst it had his car West Bay identified the fuel tank was damaged. He says he was given a time for the repairs to be completed but this kept getting pushed back.

Mr C says that because of delays in arranging the repairs this meant his claim was still open at the time his policy was due to renew. This caused his premium to increase to around £6,000.

West Bay provided two complaint responses to Mr C. The first in May 2023 refers to concerns raised about poor communication, the lack of a courtesy car, and a delay in starting the repairs. West Bay says its claim handler would only provide updates when there was new information to provide. It says its repairer will provide a courtesy car, subject to availability. But there is no requirement to do this where a policy has lapsed. It also says it provided a booking in date for Mr C within seven working days.

West Bay acknowledged its communication was lacking as Mr C had to chase for updates. So, it paid him £75 compensation.

In its second complaint response sent in September 2023, West Bay summarised Mr C's complaint to include a lack of communication, disconnected calls, and an increase in premium costs due to open claims. It says that following the initial claim it instructed an engineer to inspect the fuel tank damage. He didn't think this was related to the incident Mr C had claimed for. It was thought that this damage was caused by the incorrect use of a car jack. This meant a second claim was needed. West Bay says this was actioned on 12 June 2023. It says repairs for both claims were authorised and have now been completed.

West Bay says further instances of poor communication occurred following on from its first complaint response. It apologised for this. It says the claims that were open at the time of Mr C's renewal will have impacted on his renewal premium. West Bay says he contacted it on 28 July 2023 as he was considering cancelling his second claim because of this. It says it contacted Mr C's broker for it to contact him and provide updated quotes.

In its complaint response West Bay says it has no notes to show Mr C's calls disconnecting. But it did uphold this part of his complaint. It paid a further £100 compensation to apologise for the communication issues and for calls disconnecting.

Mr C didn't think he'd been treated fairly by West Bay and referred the matter to our service. West Bay subsequently contacted our service to offer a further £100 compensation. Our investigator decided not to uphold the complaint. He says the total payment now offered for

£275 was fair in compensating Mr C for the communication issues. He didn't think West Bay had treated him unfairly with regards to the premium increase. He says as Mr C was at fault for both claims this would impact on his premium regardless of any delays when closing them.

Our investigator says Mr C asked for the same repairer to complete the fuel tank repairs. Due to availability at the garage this couldn't be booked in until August 2023. He says communication around this point could've been better but the delay in the repair wasn't West Bay's fault.

Mr C didn't accept our investigator's findings and asked for an ombudsman to consider his complaint.

It 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'm upholding Mr C's complaint in part. I think what West Bay has offered in compensation is fair, so I won't ask it to pay more. But it didn't offer the higher level of compensation until after Mr C referred the matter to our service. It's correct that the complaint is recorded as upheld in part because of this.

Mr C doesn't dispute that the damage found to his car's fuel tank wasn't related to his initial claim. From what I've read the engineer West Bay appointed concluded the damage was caused when the car was lifted by a jack that was positioned incorrectly. The fuel tank damage didn't result from the incident where Mr C skidded on ice. This means there was a different cause for this damage. This had to be considered separately to establish if cover was available.

The repairs weren't completed together because the fuel tank claim hadn't been validated and authorised at the time of the first repair. I don't think it's been shown that West Bay treated Mr C unfairly here. It arranged for an inspection of the damage to understand how it had been caused. It found it wasn't due to the collision. So, it was reasonable that a second claim had to be set up and validated. It was due to the garage's workload that the fuel tank repair couldn't be booked in until August 2023.

Mr C says he was told by West Bay's legal department that the repairs were categorised as very low priority. This is why there were delays in completing the work.

I asked West Bay if it had records of a conversation when this was discussed. It referred to the contact notes it had already provided. I've read the notes, and although I don't dispute what Mr C says, I can't see a record of the repairs being categorised as low priority.

I've thought about Mr C's comments that he couldn't find better insurance quotes due to West Bay's delays. This is because his claim remained open when his policy was due to renew. But I don't think West Bay was responsible for a delay. So, I don't agree that this unfairly impacted on his renewal premium.

There was no third-party for West Bay to recover its costs from. This means Mr C is considered at fault for the claims he made. Any claim made against an insurance policy, and the costs associated with this, will be a consideration when a renewal premium is calculated.

Insurance companies all have their own way of calculating risk. This can involve a wide range of factors. The Financial Conduct Authority (FCA) doesn't regulate on the price at which insurers set premiums or how they are calculated. So, I can't consider this. However, I can consider whether West Bay treated Mr C the same as it would any other customer in similar circumstances.

In its submission to our service West Bay says it wasn't prepared to offer cover to Mr C at renewal. I can see from his renewal documentation that a different insurer was sourced by Mr C's broker. I asked West Bay to provide its underwriting criteria to show that it followed its underwriting criteria fairly when deciding not to offer cover.

The business responded with relevant information from its underwriting criteria. This is considered commercially sensitive so I can't share it. But I'm satisfied that West Bay followed its established rules when declining to offer Mr C cover at renewal. Based on this evidence I don't think it treated Mr C unfairly.

I haven't seen a breakdown of how the new insurer calculated Mr C's premium. This was set at £2,669.53 for the renewal on 31 July 2023. But it's likely that his claim history will have contributed to the increase in cost. Mr C can contact his new insurer to complain if he thinks it calculated his premium unfairly. This isn't something West Bay is responsible for.

I acknowledge Mr C's premium increased significantly at renewal. This must have come as a shock to him. But having considered the evidence I don't think he was treated unfairly by West Bay. There was a delay in the garage having the capacity to fix the fuel tank damage. But this wasn't the cause of West Bay being unable to offer cover.

Finally, I've thought about Mr C's concerns that he wasn't provided with updates and that several of his calls were cut off by West Bay's call handlers. The business acknowledges it could've adopted a more proactive approach when communicating with Mr C. It doesn't dispute what he says about calls that were cut off.

This situation must have been frustrating for Mr C. The poor standard of communication made matters worse. In these circumstances it's fair that West Bay apologises and pays Mr C compensation. I can see that it has apologised for the communication issues. And, when including the offer for a further £100 payment, West Bay will have paid Mr C a total of £275. I'm sorry he isn't satisfied with this amount, but I think this is fair to acknowledge the frustration and inconvenience he was caused. West Bay should ensure it has paid a total of £275. But I won't ask it to pay more.

My final decision

My final decision is that I uphold this complaint in part. West Bay Insurance Plc should:

- ensure it has paid Mr C a total of £275 compensation for the frustration and inconvenience it caused him.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr C to accept or reject my decision before 16 May 2024.

Mike Waldron
Ombudsman