

The complaint

Mr A says One Insurance Limited provided very poor service after he made a claim on his motor insurance policy and took far too long to process the claim.

What happened

Mr A had an accident in his car on 15 June 2023. Mrs A reported the claim the same day and Mr A accepted liability. In July 2023 Mr A complained to One Insurance about its lack of updates and the time it was taking to process the claim. The police had told him on the day of the accident that the car was likely to be written-off, and he thought a decision should have been made by then.

One Insurance replied to Mr A's complaint in a letter dated 12 July 2023 (which he got on 21 July 2023). It said it required a report from the police before the claim could be validated. It noted that the police had told Mr A no report was required and had given him a telephone number to pass on to One Insurance to verify that fact. But One Insurance said its process was to request a report through 'appropriate channels'. It offered Mr A £50 (as a gesture of good will, it said) for the time that had passed with no action on the claim and for its lack of updates to him. It said the request to the police had now been expedited, but that it would have to wait for the report or confirmation that the police wouldn't be providing one.

Mr A didn't get further updates. And he was told by email on 3 October 2023 that there were no timescales for dealing with claims. He spent a good deal of time on online chats, as it was hard to speak to anyone at One Insurance. And he contacted the police, who said they still hadn't had a request for a report from One Insurance (although when Mr A asked, One Insurance said the request was made in July 2023 and was chased regularly). Mr A asked for details, and for a call from a manager, but he didn't get one. He still didn't know where his car was or whether it had been written off - and he had no replacement car.

One of our investigators reviewed Mr A's complaint. She thought One Insurance should pay him £800 compensation (in addition to the £50 already offered) for the great distress and inconvenience he'd faced until October 2023, when One Insurance had issued its second response about its poor service. She said Mr A could make a separate complaint about the delay after October 2023 and about the settlement if he was unhappy with either or both.

The investigator noted that Mr A had to chase One Insurance from the start and that it didn't request a police report until 12 July 2023, when it was sent to the wrong address (as were reminders). She said a proper request wasn't made until January 2024. One Insurance finally offered Mr A a settlement sum for his car on 24 January 2024. The investigator said it should have requested the report properly within two weeks of the claim - and that as the police had replied so promptly to its request in January 2024, it was likely they would have done so back then. She thought an offer should have been made for the car by 16 July 2023, so she thought interest should be paid from then to the settlement date.

One Insurance said the claim was outstanding for a long time, but for a good reason. It said it had come to light that its approach to getting the police report was incorrect, but that it was

never confirmed to it by the authorities responsible for the information. It said Mr A didn't raise any concerns about its communication channels until January 2024 and that it couldn't see that he made contact with the police until 'much later'. One Insurance didn't agree with the proposed compensation and asked for a review of the complaint by an ombudsman.

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 think One Insurance offered Mr A particularly poor service. He wasn't updated on the car's whereabouts or the claim's progress (even *after* One Insurance's response to his complaint in July 2023, when regular updates were promised in future). Mr A was particularly disappointed by that, and I can see why. He was left in the dark about why a decision hadn't been made by engineers on whether the car was a write off for many weeks. And when he asked about whether he'd need to tax the car again, or formally declare it off the road, or reinsure it, One Insurance's advisors weren't able to give him clear answers, only adding to his stress and anxiety. In addition, Mr A thought he was entitled to a courtesy car. Although the policy didn't provide for one in the circumstances of his claim, I haven't seen any evidence that that the situation was explained to him, when that should have been done.

To his great frustration, Mr A was told consistently that the claim was on hold, pending the police report (even when that wasn't the case) and when One Insurance could simply have spoken to the police. Mrs A was first told about the wait for the report during an online chat on 30 June 2023. She pointed out then that the police had said no request had been made (which it hadn't) *and* that they'd said there was no report to issue (as no-one was injured in the accident). The advisor said the liability team would need to confirm that directly with the police, but that wasn't done. Mrs A's information was ignored and a chance to move towards the resolution of the claim was lost. Instead, the request for a report was made in July 2023, but by the wrong method, causing further delay.

One Insurance also ignored the information Mr A passed on to it from the police in July 2023. Had it not done so, I think a prompt resolution is very likely to have followed. It seems it didn't strike One Insurance that something might be wrong when the police didn't reply to its request in July 2023 - or to the chasers it sent. And despite Mr A's ongoing queries and concerns about the lack of progress, it simply allowed the claim to drag on, whilst he remained without a car or a settlement that would have allowed him to replace it. Eventually, Mr A was told on 29 November 2023 that the car was a total loss. He was given a settlement figure but told payment couldn't be made as the claim was on hold pending a police report.

One Insurance has a duty to do all it can to ensure that claims are dealt with fairly and promptly. I don't think it was reasonable for it not to request the police report sooner – or to query the apparent lack of response from the police to its emails. One Insurance was on notice from June 2023 that the police had said a report wasn't appropriate, and I think it would have been reasonable for it to follow up on that piece of information. Sometimes the police are slow to reply to queries, but in this case their responses were very prompt. So if One Insurance had made early enquiries (in June 2023 or July 2023) when prompted by Mrs A and Mr A I think it's fair to assume there'd have been speedy progress on the claim.

Mr A had to spend a considerable amount of time and effort chasing One Insurance - and for most of the time he didn't get satisfactory replies to his queries. I think he was hugely frustrated and inconvenienced by that. Mr A simply couldn't understand why his insurer wasn't providing the service he was entitled to expect. As he was without a car, then as far as One Insurance knew, he had no transport. It seems to have been unconcerned by that. In fact he was able to reply to *some* extent on Mrs A, but her driving ability was severely limited

by her health conditions. That meant Mr A faced further frustration by not being able to travel as he would normally have done, for what was a long and indefinite period.

I think it would be reasonable for One Insurance to compensate Mr A for the avoidable distress and inconvenience he faced up to October 2023. As I think it's likely that the situation could have been resolved easily early on in the claims process – and One Insurance hasn't provided a fair and reasonable explanation for why that didn't happen - I don't think it's unreasonable to require it to pay Mr A £800 (on top of the £50 gesture of goodwill it had already offered).

It's open to Mr A to make a further complaint about delays after October 2023 and about the settlement sum, should he be unhappy about it. And in my opinion, interest on the settlement should be paid from July 2023 to the date of settlement.

My final decision

My final decision is that I uphold this complaint. I require One Insurance Limited to pay Mr A £800 compensation for distress and inconvenience in addition to the £50 already offered. When a settlement sum is paid for the car, interest should be added to that sum, from 16 July 2023 until the date of settlement, at the simple yearly rate of 8%.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr A to accept or reject my decision before 25 July 2024.

Susan Ewins
Ombudsman