

## **The complaint**

Mrs M complains Haven Insurance Company Limited ("Haven") dealt with a claim on her motor insurance policy despite it being notification-only because the third-party accepted liability.

## **What happened**

The details of the claim are well known to both parties so I won't repeat them again here. Instead, I'll summarise the background and focus on the reasons for my decision.

Mrs M had a motor insurance policy with Haven. In September 2023 Mrs M's car was involved in an accident. The third-party initially agreed to deal with the claim, so Mrs M contacted Haven to notify it of the incident.

Despite this, Mrs M says Haven removed her car from the police compound where it had been taken, and then moved it a number of times preventing the third-party from settling the total loss until November 2023 when it finally obtained her car.

Mrs M says she made several calls to Haven to try and deal with the matter. Mrs M says she had to pay for the last two months of her insurance policy as well as the finance on her vehicle, despite being unable to enjoy both. The claim was also open on her policy and her no claims was reduced from nine years to three years which caused her insurance premium to increase. Because Mrs M wasn't happy with the service from Haven she complained.

Haven said the claim was recorded as an open claim because although Mrs M was going through the third-party insurer, Haven had incurred recovery and storage costs that the third-party insurer hadn't yet reimbursed. While costs remain unrecovered, the claim would remain open on her policy. As a gesture of goodwill Haven agreed to contact Mrs M's broker to ask them to amend the claim record on the renewal to non-fault to allow the extra NCD to be applied to the renewal premium.

Mrs M didn't think Haven's response was fair so she referred the matter to the Financial Ombudsman.

Our investigator looked into the complaint and thought Haven hadn't demonstrated it had handled Mrs M's claim fairly and promptly. He upheld the complaint and said Haven should update the CUE database, reinstate Mrs M's NCD, and pay £100 compensation for the errors.

Mrs M disagreed with our investigator's outcome. She said Haven didn't confirm it had her vehicle until November which was three months after the accident. She also said her NCD remained at three years where it should be 10 years. Further, she paid for a parking permit for her vehicle and car tax and she can't understand why Haven instructed engineers to move her vehicle. So our investigator looked at the evidence provided by both parties and issued a second view. He said Haven had contributed to the delays with Mrs M's claim when the third-party insurer attempted to collect the vehicle in October 2023. Mrs M's car wasn't collected until 9 November 2023. So he said in order to resolve things, Haven should

reinstate Mrs M's NCD, update the CUE database, and pay her £200 for the distress and inconvenience.

Because Mrs M didn't agree the complaint has come 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 my intention is to uphold Mrs M's complaint. I'll explain why.

I understand Mrs M has strong views about what's happened and I can empathise with the position she found herself in. I have read and considered everything I have received carefully. My role is to consider the evidence to reach what I think is a fair and reasonable outcome.

#### *Collecting the vehicle from the police compound*

I have been provided with a number of telephone calls by Haven. So I have listened to the call in September 2023 where Mrs M asked Haven to collect her vehicle from the police compound. Haven takes steps to collect the vehicle as instructed. Mrs M then contacted Haven again to explain she no longer required the car to be collected since the third-party insurer had agreed to deal with her claim. However, from what I've seen, it appears Haven had already started the process to collect the car by that point. So I don't think Haven did anything wrong here, it followed Mrs M's instructions to collect her car and protect her position; since the car would have been destroyed if it hadn't been collected in time.

I note Mrs M says she had until 17 September to collect the car so there was time for Haven to cancel its instructions and unfortunately that didn't happen. Haven collected Mrs M's car within a few days of her providing instructions to do so. So I don't think Haven did anything wrong here since it was doing as instructed.

#### *Delay in the third-party insurer having access to the car*

Mrs M's accident was in early September 2023, and her vehicle was collected from the police around a week later when the third-party insurer said it wouldn't cover the claim as the insurance policy had been cancelled.

Haven collected the car and put it in storage before moving it to a garage. So when the third-party insurer tried to collect the car in October 2023 it wasn't where it was expecting it to be. I'm pleased to see Haven apologised for this and accepted it could have communicated better with Mrs M and the third-party insurer regarding the vehicle's location. So I'm upholding this aspect of Mrs M's complaint.

#### *Payment for insurance, car finance, car tax, and parking*

Mrs M says she paid for a number of car-related expenses after her accident, even though she wasn't able to use her car at the time. She paid her insurance premium, car finance payments, parking, and car tax; and she wants Haven to reimburse her for these. But this isn't something that would be covered under the terms of her insurance policy and she would always be liable to pay this – so I can't fairly ask Haven to reimburse her.

### *Open claim and no claims discount*

Mrs M contacted Haven to arrange collection of her vehicle from the police compound. And so Haven opened a claim in order to arrange the collection. The vehicle was collected and sent to storage and then a garage before the third-party insurer collected it in November 2023.

Although Mrs M didn't make a claim through her insurer, it had incurred costs in collecting her vehicle from storage. When Mrs M contacted Haven to explain the third-party insurer had agreed to deal with her claim Haven closed her claim as notification only. Claims history is a factor when an insurer calculates its premium. So its probable Mrs M's premium would have increased in any event, even if Haven had only recorded the matter as notification only from the outset. So, whilst I understand Mrs M is upset by this, its standard practice by insurers and I don't think Haven has done anything wrong here.

In any event, I can see Haven offered to amend the claim record on the renewal to non-fault to allow the extra NCD to be applied to the renewal premium. And I think that's fair.

Mrs M refers to Haven instructing an engineer to report on the damage to her vehicle but I haven't seen a copy of any report, or reference to an engineer being instructed within the information I have been provided. So I'm unable to comment any further.

### *Conclusion*

Mrs M's accident was at the beginning of September and her car was picked up by the third-party insurer at the beginning of November. So whilst there were avoidable delays some of them were attributable to the third-party insurer in first accepting the claim, and then not accepting the claim, before accepting the claim again. Having carefully considered the evidence I think much of the initial confusion and miscommunication stems from this.

Where an error has caused more than the levels of frustration and annoyance you might reasonably expect from day-to-day life, and the impact has been more than just minimal, then we consider an award to be fair, as is the case here. For Mrs M, the impact of the delays and miscommunication required reasonable effort to resolve; and the result of this impact lasted weeks, causing distress and inconvenience. But taking into account the overall timescale from the date of the accident to the date the car was collected; the period of inconvenience was relatively short-lived. That's not to detract from the impact the matter clearly had on Mrs M.

I know my decision will come as a disappointment to Mrs M who has been through a stressful and frustrating time. It's clear the service from Haven has fallen below the level Mrs M was entitled to expect. Mrs M shared the impact of this in her correspondence with Haven. That said, taking all the circumstances of the complaint into account, I consider the compensatory payment of £200 recommended by the investigator is a fair one, that falls in line with our service's approach and what I would have directed, had it not already been made.

So I intend to direct Haven to pay this amount, in addition to reinstating Mrs M's NCD, and update the CUE database to reflect the non-fault claim. I think this will go some way to put Mrs M back in the position she would have been in but for the issues complained about.

### **Putting things right**

When thinking about what Haven should do to put things right any award or direction I make is intended to place Mrs M back in the position she would have been in had Haven acted fairly in the first place.

Given the conclusions I've reached, as set out above, I direct Haven to;

- Reinstatement Mrs M's NCD,
- Update the CUE database to reflect the non-fault claim,
- Pay Mrs M £200 for the distress and inconvenience caused.

### **My final decision**

For the reasons explained above I'm upholding this complaint and direct Haven Insurance Company Limited to resolve this matter by doing what I've set out above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs M to accept or reject my decision before 15 August 2024.

Kiran Clair  
**Ombudsman**