

The complaint

Dr H complains about the level of service received by One Insurance Limited following a claim under her motor insurance policy.

What happened

The background to this complaint is known to all parties, so I won't repeat it here. But, in summary, Dr H held a motor insurance policy which was underwritten by One Insurance. On 8 January 2024, she raised a claim for damage following an attempted theft.

Dr H raised concerns to One Insurance about the way the claim was handled. She raised, broadly, the following points which I've summarised:

- Communication was poor; for example, Dr H says she was informed to recover her vehicle back to her home but was then told it needed to go to storage. She spent hours on the phone and online chat chasing it, and it put up unnecessary barriers in response to her claim for a dashcam, amongst other things.
- One Insurance delayed informing her about the outcome of her claim – which was prompted by her contacting it through the online chat, and it wasn't proactive.
- One Insurance told Dr H she could retain the vehicle, but when she asked for details of the claim-related damage, it didn't respond, then it told her it didn't have a damage report to share, and it also changed the total loss category having already told her she could retain the vehicle.
- One Insurance confirmed the total loss settlement on 29 January 2024 would be £5,000 less the excess. And it attempted to contact Dr H to discuss her options on 7 and 15 February 2024, but it called from an unknown number and didn't leave a message to inform Dr H who was calling, or what it related to.
- Dr H spent 11 days asking mechanics to provide her with repair quotes without support from One Insurance on the details of the damage, required repairs, or clarity on the claim status.
- When One Insurance returned her vehicle, it had a flat tyre. When she queried this, she says One Insurance told her the vehicle had been kept at a salvage yard and therefore this can happen. She was also informed she would be required to pay the salvage yard vehicle release fee despite it being One Insurance's decision to store the vehicle there.
- Dr H has also said due to delays caused by One Insurance she incurred transport costs while without a vehicle. And petrol was removed from her vehicle despite it not being driven while in the control of One Insurance.

One Insurance responded to Dr H's concerns initially, on 20 February 2024. It offered to reimburse the £180 salvage yard fee and £20 for the flat tyre. It then responded to Dr H's

other concerns over two final response letters; the first dated 15 March 2024 and second dated 30 May 2024.

Across these two responses, it offered to settle the complaint by paying Dr H £100 compensation, £25 for the loss of fuel, and a further £130 for a period of 13 days without the use of her vehicle. Dr H remained unhappy, so she asked our Service for an impartial review.

The Investigator recommended the complaint be upheld and thought One Insurance should pay Dr H an additional £100 compensation. Dr H agreed, but One Insurance didn't. Therefore, as no resolution could be reached, the case was 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 find the overall outcome reached by the Investigator to be a fair and reasonable one. I agree with his reasoning, and I'll explain why.

I've summarised several of the issues Dr H faced during what I'd consider to be a fairly routine claim for One Insurance to settle. I find it ought to have handled matters better overall, and with a more appropriate level of customer service. And I think it's fair to say the service issues Dr H faced during the claim would have caused her further distress, frustration, and inconvenience – over and above what's naturally expected following a claim.

One Insurance will be aware of its requirements under ICOBs to handle claims promptly and fairly, and to provide reasonable guidance to help a policyholder make a claim and appropriate information on its progress.

I don't find the level of communication, delays, or its expectation for Dr H to chase it in order to receive claim updates and progress demonstrates it handled the claim reasonably here. Therefore, I also find £200 compensation to be fair, reasonable, and proportionate here, to recognise the impact One Insurance's service failings had on Dr H. So, it follows I'll be directing it to pay Dr H a further £100 to settle this complaint.

To give some balance to this dispute, I do recognise One Insurance made reasonable attempts to put things right within its responses to her concerns. And I do find it took reasonable steps to recognise some of these other issues, such as the vehicle being returned with a flat tyre, the loss of fuel, and the fact she was without a vehicle for a period while it was dealing with the claim. I find, on balance, it settled these aspects of Dr H's complaint reasonably.

But I don't find it acted reasonably when concluding its offer to reimburse the salvage yard release fee should be considered as part of the overall complaint settlement (compensation). I say this because the claim notes suggest it was One Insurance's decision to store Dr H's vehicle in that salvage yard. Therefore, it follows that I don't think the cost to release the vehicle from a salvage facility chosen by One Insurance should fall on Dr H in these specific circumstances.

Putting things right

One Insurance must settle this complaint by ensuring its previous settlement offers outlined within its final response letter dated 30 May 2024 are paid to Dr H. It must also pay Dr H an additional £100 compensation to recognise the level of distress and inconvenience caused.

My final decision

For the reasons I've set out above, my final decision is I uphold this complaint. I now require One Insurance Limited to settle this complaint in line with my instructions above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Dr H to accept or reject my decision before 15 October 2024.

Liam Hickey
Ombudsman