

## **The complaint**

Mr A is unhappy with the way the claim he made under his motor insurance policy was handled by U K Insurance Limited (UKI).

Mr A is being represented in this complaint by a third party, but as Mr A was the policyholder, and for ease, I have referred to him throughout.

## **What happened**

Mr A's vehicle was unfortunately stolen whilst he was outside of the country. In October 2022 Mr A contacted UKI to submit a claim under his motor insurance policy. UKI considered Mr A's claim but in February 2023 it sent Mr A a letter saying it wasn't prepared to cover his claim as based on the evidence it had, it wasn't satisfied the incident happened as alleged. Mr A provided further information and UKI accepted his claim in March 2023.

In June 2023 it raised a settlement to Mr A for what it said was the market value of his vehicle. Mr A didn't think this valuation was reasonable and so raised a complaint to UKI. Over the following months Mr A's representative contacted UKI to discuss the valuation it had placed on Mr A's vehicle. Along with the valuation UKI had placed on his vehicle, Mr A was also unhappy with the lack of response from UKI and so raised another complaint.

UKI considered Mr A's complaint and upheld it in part. It said it had sent a final response about the valuation on Mr A's vehicle previously and so it wouldn't be commenting on this again. It said it wasn't reasonable it took so long to let Mr A's representative know it required a signed mandate and to confirm where the previous final response had been sent. It offered Mr A £250 compensation as an apology. Mr A didn't think this was reasonable and so referred his complaint to this Service.

Our investigator didn't uphold Mr A's complaint. She said she thought UKI should have provided information to Mr A's representative more quickly. She also said she thought there was a delay in the claim settlement being sent to Mr A, however she said she thought the £250 compensation UKI had offered was reasonable to acknowledge the distress and inconvenience caused.

Mr A didn't agree with our investigator. He said he was unhappy with the valuation UKI had placed on his vehicle. He also said UKI should have been communicating with his representative rather than him and there have been unreasonable delays in his claim being settled.

As Mr A didn't agree with our investigator the complaint 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 want to acknowledge I have summarised Mr A's complaint in less detail than he has

presented it. I've not commented on every point he has raised. Instead I have focussed on what I consider to be the key points I need to think about. I mean no discourtesy by this, but it simply reflects the informal nature of this Service. I assure Mr A and UKI I have read and considered everything that's been provided.

Mr A has said he is unhappy with the valuation UKI placed on his vehicle. UKI have said it sent Mr A a separate final response about this issue. Therefore this has been considered separately by this Service. I won't be commenting on the valuation of Mr A's vehicle as part of this decision. Instead I have considered the other points Mr A has complained about.

Mr A said UKI continued to communicate with him directly despite him telling UKI to deal with his representative. UKI said it requires a signed mandate to deal with Mr A's representative but acknowledged it should have made Mr A and his representative aware of this sooner.

Mr A has provided evidence his representative sent UKI a signed letter of authority in February 2023. UKI have confirmed this letter of authority is sufficient to allow it to communicate with Mr A's representative, but it said it didn't receive this. I'm satisfied this was sent to UKI to the correct email address with the correct reference and so it should have been accepted by UKI. I think it would have been frustrating for Mr A to continue to receive correspondence from UKI when he had asked it to communicate with his representative.

I have taken into consideration that UKI did communicate with Mr A's representative by phone and email during Mr A's claim and communication with Mr A was limited after UKI sent Mr A the claim settlement. Therefore, whilst Mr A was caused some inconvenience, I'm satisfied this inconvenience was limited.

I think UKI did cause some unnecessary delays during the handling of Mr A's claim. UKI initially declined to cover Mr A's claim as it wasn't satisfied the incident happened as alleged. Based on the evidence UKI had at this time I don't think this was unreasonable. Once Mr A provided additional information it became apparent there had been some confusion and UKI accepted Mr A's claim in March 2023. However, it wasn't until Mr A contacted UKI in June 2023 that it discussed the total loss settlement with Mr A. UKI should have discussed this with Mr A once it accepted Mr A's claim and this three month delay would have caused Mr A distress and inconvenience.

UKI provided Mr A's representative with incorrect information when it asked about the valuation placed on Mr A's vehicle. UKI said it would raise the dispute with its engineers even though UKI had already considered the dispute previously. Mr A's representative has also said UKI didn't respond to its emails regarding the dispute in valuation and it had to send multiple chasers. Whilst I acknowledge UKI provided incorrect information, and Mr A's representative did send chasers to Admiral, I think the inconvenience caused was mainly to Mr A's representative as it was the one communicating with Admiral on Mr A's behalf. This Service can only make awards of compensation to eligible complainants and so I've only considered the impact UKI's errors have had on Mr A and not on his representative.

Based on the evidence provided I think the £250 compensation UKI have offered is reasonable. I think an award of this amount takes into consideration the distress and inconvenience Mr A was caused by UKI's delays in dealing with the claim and by communicating with him directly rather than through his representative. However, I also think the distress and inconvenience Mr A was caused was also limited due to the involvement of his representative. Overall I think the compensation offered is reasonable and so don't require UKI to increase this.

**My final decision**

For the reasons I've outlined above, I don't uphold Mr A's complaint about U K Insurance Limited.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr A to accept or reject my decision before 5 December 2024.

Andrew Clarke  
**Ombudsman**