

The complaint

Mr W has complained about the way West Bay Insurance Plc handled his claim under his Commercial Vehicle Insurance Policy. He has also complained about what it has offered in settlement of his claim.

Any reference to West Bay includes its agents.

What happened

Mr W's vehicle, which he has said is an unusual Land Rover produced especially as a prototype for military use, was stolen on 26 October 2023. He reported the theft to the police and to West Bay. He was told by West Bay that it was likely the claim would be settled on a cash-in-lieu basis because of the bespoke nature of his vehicle. He was sent an online form to complete and returned this on the same day. Mr W then received an email asking him to send various documents, the keys and the crime reference number for the theft. He then called to ask what to do about his personalised registration number. He was told to hold off sending the keys and to apply to DVLA to put his registration number on retention. And that his claim would be passed to the settlement team. He did this and received a new V5 document, and sent this to West Bay on 13 November 2023.

As he'd not heard anything, Mr W telephoned West Bay for an update on 15 November 2023 and was told his file was with the settlement team and they would be asked to call him back. He complained about the level of service he had received at this point, as he thought his claim was taking too long and that he kept having to chase West Bay for updates. As he hadn't had a call back Mr W called West Bay again on 16 November 2023 and was told his claim had only been passed to the settlement team on 15 November 2023 and was being assessed. Once again he was promised a call back. As he hadn't received a call back by 20 November 2023 Mr W called his broker to see whether they could help. They contacted West Bay and were told Mr W's claim was still under review. So they called Mr W back to tell him this.

Mr W was told by the police on 24 November 2023 that his vehicle had been recovered. Mr W contacted West Bay to tell it this straight away and agreed with it that he'd take the keys to the police recovery agent. When Mr W was at the recovery yard he inspected his vehicle and noticed a number of areas of damage and that it had covered around 4000km since it had been stolen. He also noticed that some of his personal items were still in the vehicle and had been contaminated with oil.

Mr W heard nothing further until West Bay's salvage agent, who I'll refer to as C, contacted him on 8 December 2023 to tell him his vehicle was a total loss and that they'd valued it at £7,000. He rejected their valuation/offer. As Mr W hadn't heard anything further by 11 December 2023 he contacted C and asked for an update and the location of his vehicle. He then got an email from C stating where his vehicle was being stored and that C would be doing an image inspection of it.

Mr W heard nothing further until he received an email from C on 13 December 2023 which said they'd valued his vehicle using a valuation guide and by internet research at £14,485.

They suggested West Bay would pay this amount less his £400 policy excess in settlement of his claim. Mr W contacted C and pointed out the valuation guides do not value vehicles over 20 years old or military specification vehicles. He also asked to see evidence of the internet research. Mr W declined the offer and was referred back to West Bay. When he spoke to its engineering team he was told he'd hear from Customer Relations as he'd rejected the settlement offer.

Mr W then received a letter from West Bay saying it was still investigating his complaint. So he contacted his broker again. They contacted West Bay and then went back to Mr W to tell him West Bay had made its final offer, which was worked out using its normal guidelines and that if he wished for the offer to be increased a more extensive assessment of his vehicle should be undertaken. They further stated that Mr W could arrange for a qualified engineer to inspect and value his vehicle at his own expense. The broker also told him West Bay had said an interim payment offer had been made. However, Mr W said he hadn't actually received this from West Bay.

Mr W sent an email to both West Bay and C on 15 December 2023 asking for full disclosure on his claim, including evidence relating to the assessment of his vehicle. He didn't hear anything, so he sent a follow up email on 4 January 2024 with a subject access request. As he hadn't received a response to this email either by 8 January 2024, Mr W telephoned West Bay's complaints department and complained about his emails being ignored. He was transferred to West Bay's Fire and Theft team. He asked for a copy of the engineer's report on his vehicle and a copy of the email or letter setting out the interim payment offer. The Fire and Theft team apologised and said they'd email the information within two hours. But all that Mr W received was a copy of the engineer's report.

Mr W then received West Bay's final response letter on his complaint on 10 January 2024. This explained that West Bay thought the market value of Mr W's vehicle was £16,650, less £1,665 because it was an import and £500 because of its pre-loss condition; giving the offer of £14,485 less the excess. It also mentioned that it had asked C to send the examples of similar vehicles for sale that it had used to help it work out the value of his vehicle to Mr W. It also offered £200 in compensation because it accepted the service it had provided could have been better at times.

Mr W instructed an independent motor engineer to assess the value of his vehicle and he provided a report which Mr W didn't actually send to West Bay as he got it for his solicitor. This said it would cost £70,000 to replace his vehicle like for like.

West Bay then wrote to Mr W with its total loss offer of £14,085 and in this it said they would be disposing of Mr W's vehicle after 14 days. West Bay then sent a cheque for the settlement amount to Mr W on 25 January 2024. The confirmation of settlement said West Bay would dispose of Mr W's vehicle within 14 days and that Mr W should remove his personal effects from it.

Mr W had appointed a solicitor to help assist him with the matter. He discovered his vehicle for sale online and his solicitor wrote to West Bay to query why it appeared to have disposed of the vehicle when Mr W hadn't accepted its offer of settlement. It also chased West Bay regarding Mr W's subject access request.

Mr W eventually referred his complaint to us in July 2024. After we told West Bay about this it made an offer to pay a further £5,375 in settlement of Mr W's claim. We put this to Mr W, but he didn't accept it. So the first investigator considered his complaint. She said she thought the total amount West Bay had offered, including the additional amount, was reasonable. She said that West Bay shouldn't have disposed of Mr W's vehicle without his permission and that it should pay him £500 in compensation for the distress and

inconvenience he'd experienced because it did this.

West Bay didn't agree with the investigator's assessment. It said it had acted appropriately when disposing of Mr W's vehicle and that its offer of £200 for poor service was enough. Mr W didn't agree with the investigator's assessment either, as he didn't think West Bay's valuation was correct or that the additional compensation was enough. His complaint was passed to a second investigator. She sent Mr W a copy of C's full report and estimate on his vehicle. Mr W raised some concerns about this. As he wasn't happy with the assessment of his complaint, it was referred to me for a decision.

I issued a provisional decision on 14 November 2024 in which I set out what I'd provisionally decided and why as follows:

I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint.

Mr W's policy states that the maximum amount West Bay will pay in settlement of a claim for loss of or damage to his vehicle is the market value. This is defined as the cost of replacing it with one of the same or similar make, model, year, mileage and condition.

Mr W has explained to me that his vehicle is very rare indeed. And that it was built as a demonstration vehicle for the military and was the only one produced at this time. He believes around 1999 they were produced in the form of a double cab with a pickup body for the Ministry of Defence, however the roof over the cab on these vehicles was fibreglass and not aluminium as with his vehicle. And Mr W has said he has never actually seen a vehicle exactly the same as his for sale.

I think the main problem with West Bay's approach in this case is that it has not fully understood and properly researched the cost of replacing Mr W's vehicle. Its engineers do not appear to have appreciated the unique nature of the vehicle and its military specification. I say this because the examples they've used to value it are not military specification vehicles – they are civilian ones. And have a completely different engine to Mr W's vehicle. And the reports provided by C appear very unreliable, as they include features the vehicle doesn't have, like electric windows. They also have the incorrect width for the wheelbase and list the vehicle as a category S write-off, when it was sold as a category N. They also appear to list items for replacement that weren't actually damaged like the front roof cover. As well as listing parts that aren't actually available from the factory. In addition to this they give valuation guide prices for Mr W's vehicle, despite the fact it doesn't appear in any of the guides. I appreciate West Bay has admitted the guides were not used, but the fact they are on one of the engineer's reports is concerning and – in my opinion - rather undermines their credibility. I also think their comments on the impact of the vehicle being an import and its condition and the deductions for these things were inappropriate, bearing in mind the unique nature of the vehicle and the fact it had a matt finish. And I doubt the replaced tail gate being a different colour would make any difference at all.

These reports also make me doubt the estimated repair cost and I think they call in to question West Bay's decision to write-off Mr W's vehicle. Based on West Bay's final valuation the repair costs make the write-off borderline, but my view is writing off the vehicle is highly unlikely to have been the correct decision.

As I've said, I do not consider any of the examples West Bay has used to value Mr W's vehicle represents one of the same or a similar make or model, because they are not military specification vehicles and do not even have the same engine. So, I do not think I can take them into account.

Mr W has explained to me that it is now very difficult to find similar vehicles to his for sale and that mileage doesn't really make any difference to what the vehicles sell for, which I accept. And he's also explained the best way for him to get a like for like replacement would be for him to buy a similar vehicle with an ambulance body, because there are more of these available. Then have it converted to a pick-up truck body like the one he had. He has provided two examples of similar vehicles with an ambulance body for sale at £37,500 plus VAT. And a quote from a company that can convert one of these into a vehicle the same as his at a cost of £33,833 plus VAT. Mr W has said the conversion company has said they are likely to sell the parts they've stripped off for around £7,000 and that this could be deducted from the cost of the conversion. Mr W has also found a similar vehicle for sale online, again with a different body to his, at £49,995, which I assume includes VAT.

I have asked our investigator to send the recent examples of similar vehicles for sale with an ambulance body provided by Mr W, along with the engineer's report Mr W has provided, plus the quote for conversion with this provisional decision.

I think what Mr W has provided highlights the inadequacy of West Bay's consideration of his claim. And I do not understand how it can think its valuation of around £20,000 is correct when it hasn't used a single example of a similar vehicle to Mr W's for sale to assess this. It's clearly based on vehicles that are not suitable replacements for Mr W's vehicle.

As things stand, I think the only compelling evidence I have on the correct market value for his vehicle has been provided by Mr W. And this suggests it will cost somewhere between £70,000 and £80,000 to replace it. Unique vehicles of this type can go up in value very quickly indeed and the market can change based on availability and desirability. And this is clearly evidenced by the engineer's report Mr W has provided.

However, I am mindful of the fact that it is not impossible for a suitable replacement, albeit not a prototype, to come up for sale, i.e. it may not be identical to Mr W's, which seems to be a one off. And from what Mr W's engineer has said it does seem most likely the cost of such a vehicle would be £70,000. While I appreciate this valuation is hugely different to West Bay's valuation, I think it is realistic and based on the right sort of research. Therefore, the only way I can be sure that Mr W will get the right settlement amount for his vehicle is for me to make West Bay settle his claim by paying him this amount less the £400 policy excess and what it has already paid (£14,085). This means I've provisionally decided that as part of the fair and reasonable outcome to Mr W's complaint West Bay needs to pay Mr W a further £55,515 in settlement of his claim. This amount should have been paid when West Bay first offered to settle the claim. And with proper research I think it could have been offered two months after Mr W made his claim. I say this as careful research and a proper inspection was needed both before and after Mr W's vehicle was recovered and I think this would have taken two months in total. In view of this, I also consider West Bay should add interest to the extra amount payable amount at 8% per annum simple from two months after Mr W submitted his claim.

As it shouldn't have been necessary for Mr W to provide the engineer's report, I consider it is fair for West Bay to reimburse the £250 he paid for it, plus interest.

In addition Mr W's policy covers personal effects in his vehicle that were lost or damaged up to £200. Mr W has said there were personal items in the vehicle damaged by oil. And that he had some tools in it that went missing at C. I am satisfied from what Mr W has said these items are likely to have had a value of at least £200; so I think West Bay needs to pay this amount, plus interest, as part of the settlement to Mr W's claim.

Turning now to the distress and inconvenience Mr W has experienced because of West Bay's failure to properly value his vehicle and it also disposing of it without his

permission.

I agree with our investigator that West Bay should not have disposed of Mr W's vehicle without his permission. I accept that if it had agreed settlement of the claim on a total loss basis then the vehicle would have become its property. But it hadn't agreed settlement with Mr W. This means the vehicle did not belong to West Bay and it had no right to dispose of it. I understand it didn't want to store the vehicle and that's why it told Mr W it was going to dispose of it. But I think it should have offered to return it to him, as it was his property. Alternatively, it could have agreed to store it until his complaint was resolved. Either way, West Bay should not have simply sold it without telling Mr W it had actually done so. I appreciate West Bay did say it was going to do this, but I think it was reasonable for Mr W to assume it wouldn't as settlement of his claim hadn't been agreed. This meant Mr W saw it for sale online with a different salvage category and it meant he knew he had no prospect of ever getting it back as part of the claim settlement. And this would have been particularly distressing for Mr W because he knew West Bay's valuation was wrong and that his vehicle was actually economical to repair. Mr W also lost some personal items, which I think West Bay should have made sure C retained for him. With this in mind, I think the level of distress and inconvenience Mr W experienced because of the disposal of his vehicle alone was very significant indeed. And I think this warrants a compensation payment of £750.

I also think West Bay's communication on Mr W's claim was very poor indeed, as can be seen from the sequence of events I've set out above. And its failure to properly value his vehicle would have been very distressing for Mr W. Plus, Mr W had to put in a huge amount of effort to try and prove his case, when this wouldn't have been necessary if West Bay had carried out effective research and properly taken what Mr W was saying into account. And I think this distress and inconvenience warrants a further compensation payment of £500. That makes £1,250 in total for distress and inconvenience, less the £200 West Bay has already paid; so a further £1,050.

I've also considered the fact that West Bay's poor handling of Mr W's claim left him without his vehicle for a long period. And I appreciate this impacted his work. Although, Mr W has said he can't really say to what extent it impact him financially. However, Mr W did have just over £14,000 at the end of January 2024 from Markerstudy. And, even allowing for the fact he had some debts to clear I think he could have used this to buy a suitable replacement vehicle for work with a view to selling it if needed once we had considered his complaint. Also, as I've already said, I think it is fair to say West Bay needed a couple of months to come up with the right settlement option for Mr W's claim. So, I think in reality Mr W was only without a vehicle he could use for work and pleasure for about a month due to West Bay's failings. However, I think he should receive compensation for loss of use in this period, i.e. for the inconvenience of not having a suitable vehicle. And I think £250 is fair for this.

My provisional decision

For the reasons set out above, I've provisionally decided to uphold Mr W's complaint about West Bay Insurance Plc and make it do the following:

- *Pay Mr W a further £55,515 in settlement of his claim, plus interest at 8% per annum simple from two months after he submitted his claim to the date of payment.*
- *Pay Mr W a further £1,050 in compensation for distress and inconvenience.*
- *Pay Mr W £200 for the personal belongings he lost, plus interest at 8% per annum simple on this amount from two months after he submitted his claim to the date of payment.*
- *Pay Mr W a further £250 for the inconvenience of him not having his vehicle in January 2024.*

- *Reimburse the £250 Mr W paid for his engineer's report, plus interest at 8% per annum simple from the date he paid it to the date of actual payment.*

I gave both parties until 27 November 2024 to provide further comments and evidence in response to my provisional decision.

Mr W responded to say he agreed with my provisional decision. However, he queried whether the total loss marker could be removed from the insured vehicle as he felt it was affecting what he was being charged for vehicle insurance.

I then sent an email to West Bay saying I may require them to remove the total loss marker on Mr W's vehicle on the basis it should never have been written-off.

West Bay has responded to say it doesn't agree with my provisional decision. It has made a number of points and provided additional evidence. I've set out its main comments below:

- There's nothing to suggest Mr W's vehicle is an unusual one. The V5 document suggests it was produced as a civilian vehicle and not for military use. And it hadn't seen any evidence prior to my provisional decision that it was a demonstrator model produced for the military and the only one of its kind produced at this time. It does not consider that it was anything other than a standard 1997 Land Rover. And it considers that, in the absence of any substantive evidence or documentation to prove the vehicle was produced as a military specification vehicle, it valued it fairly.
- It does not consider the military ambulance for sale I referred to in my provisional decision is anything like Mr W's vehicle. And it's provided a couple of examples of what it thinks is a similar vehicle to Mr W's for sale at £20,000.
- Mr W's policy was a standard commercial vehicle policy with a vehicle value of £7,000. And, despite seemingly thinking it was a specialised and unique model, Mr W did not insure it as this. He just insured it on a standard commercial vehicle policy at a premium of £310.
- The engineer's report provided by Mr W gives generic information and indicates Mr W's vehicle was unique. But – as it has said previously – there is no real evidence of this. It noted the reference in the report to the engine being rebuilt and wondered if Mr W had any evidence of this.
- It has found two 100 models, which it feels are a much closer match to Mr W's vehicle for sale at a considerably lower amount than the cost of the ambulance version I've referred to.
- If Mr W had provided his engineer's report soon after he got this it may have decided to instruct their own independent engineer to inspect the vehicle.
- Neither Mr W or his solicitor advised it that Mr W wanted to retain his vehicle. And nothing else suggested Mr W wanted to do so. In view of this there seemed little point in keeping the vehicle and incurring further storage charges. It can't see how the fact it disposed of the vehicle adversely affected Mr W. So it doesn't think the £750 I've suggested in compensation for this is warranted.
- It doesn't think it should have to reimburse the cost of Mr W's engineer's report, as he didn't provide it with a copy for consideration.
- It is happy to pay £200 for Mr W's personal effects, although Mr W doesn't appear to have ever suggested he wanted to claim for these.
- It doesn't think the claim was poorly handled and therefore doesn't think compensation for Mr W being without a vehicle is warranted.
- The total loss marker can't be changed as the vehicle was sold with a category N marker on it. And the fact it was a total loss claim, as opposed to a claim for repair, shouldn't make any difference, as it is just recorded as a fault claim in the Claims and Underwriting Exchange (CUE).

Having received West Bay's further comments and evidence in response to my provisional decision, I put this to Mr W and asked for his comments. He has said the following:

- He has never seen anything other than the make, model, colour, and basic vehicle details on a V5 document. And he has never seen anything like prototype or military or rare vehicle on one.
- West Bay has not provided any compelling evidence to support its view his vehicle is a standard vehicle. He has provided photographs which show the following:
 - That it has a Wolf three piece rear crossmember;
 - that it has no side lamp;
 - that it has Wolf single rear coil springs; and
 - that it has Wolf air intakes;

He considers these show it was a military grade vehicle and not a civilian one.

- He has also pointed out that his vehicle had a 130 inch wheelbase, whereas the examples provided by West Bay are vehicles with a 110 inch wheelbase.
- He doesn't have the receipts for the mechanical overhaul of his vehicle as it was done around nine years ago.
- He has no documents showing his vehicle was a Wolf, but he had to provide the VIN number when ordering parts and these were for a Wolf model. And there is nothing actually on the V5 that says it is a standard vehicle.
- He had no idea how much his vehicle was actually worth when he insured it with West Bay. It was an old vehicle and he seems to be suggesting he had no idea at this point it had appreciated in value.
- He has reiterated his point that his vehicle was repairable and should never have been written off. And the fact that West Bay disposed of it without permission means that it now can't be inspected to verify what he's saying.
- He has provided evidence of three Wolf model vehicles, which are clearly military vehicles and the VIN number shows they were all made in a factory making civilian vehicles.
- There is no guarantee that if he buys an ambulance model for conversion it will be possible to get the parts for conversion; so there is a risk they would need to be manufactured. This means it could cost more to convert the vehicle than the quote for the conversion he has provided, which was provided over six months ago anyway.
- He has found a vehicle for sale in the Netherlands at €99,500 which very closely matches his one. It would still require a number of parts to be replaced, but this is the closest example to his that he has seen for sale.
- All the research he has done and the evidence he has provided to support the cost of replacing his vehicle is available online and West Bay could easily have done the same research to work out a fair market value. He has questioned the expertise of West Bay's engineers if he can provide this evidence, but its engineers do not seem to be able to do the same.

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, it remains my view that the fair and reasonable outcome I set out in my provisional decision is the right one, except I think the compensation West Bay has to pay for distress and inconvenience should be slightly less. I'll explain why.

Dealing first of all with what I consider to be a fair and reasonable market value for Mr W's

vehicle. I am more persuaded by the research Mr W has done on his vehicle and the evidence he has provided than what West Bay has said and the evidence it has provided. This is because I have not found any flaws in Mr W's evidence or anything that contradicts it. Whereas I think a great deal of the evidence provided by West Bay has been discredited. For example, it has suggested that all military vehicles would have a certain number in the VIN number, when I can see from Mr W's research this isn't necessarily the case. Also, West Bay has consistently provided example vehicles and said they are similar to Mr W's vehicle when none of them have a 130 inch wheelbase. And it is not disputed that Mr W's vehicle had a 130 inch wheelbase.

Based on what Mr W has said and the evidence he has provided, I do not believe his vehicle was what West Bay has described as a standard one. I accept it was a vehicle adapted for military use as evidenced by the photographs of it showing many features of a military vehicle. And from what I've seen these vehicles rarely come up for sale now and when they do they tend to be ambulance conversions. As I understand it, this is because the 130 inch wheelbase – although more stable – is more susceptible to grounding and this makes them less suitable for difficult terrain.

I appreciate the engineer's report provided by Mr W's engineer is not that detailed on the specification of his vehicle. But it is from a suitably qualified engineer, who appears to have experience of vehicles like Mr W's. He also provided what I consider to be persuasive evidence as to why its market value was £70,000, even though this is way more than Mr W paid for it. And when I bear in mind that allowing for inflation what Mr W paid for his vehicle (and I have no reason to doubt his testimony on this) would now be equivalent to around £30,000, it doesn't surprise me that Mr W is going to have to pay around £50,000 to purchase a vehicle he can have converted and then pay the cost of converting it. And the latest advert he has provided does support the overall replacement cost I have suggested.

I do appreciate it may cost more to convert it than the quote Mr W has provided, but I have to bear in mind that it may not; and it remains my view that overall the engineer's report provides the best indication of the likely replacement cost when considered alongside the other evidence Mr W has provided.

Therefore, I consider the market value of Mr W's vehicle, i.e. the cost of replacing it with a like for like vehicle will be at least £70,000. And this means that I consider as part of the fair and reasonable outcome to this complaint West Bay needs to pay Mr W a further £55,515 in settlement of his claim.

I'm satisfied this should enable Mr W to end up with a suitable replacement vehicle. Of course if West Bay hadn't disposed of Mr W's vehicle, despite not having had his acceptance of its settlement offer, it would most likely have been possible to have the vehicle repaired for much less than West Bay will end up paying. But the fair and reasonable outcome to this complaint has to put Mr W back as closely as is possible in the position he would have been in but for West Bay's failure to value his vehicle properly and then dispose of it without having agreed settlement of his claim and when it didn't actually have legal ownership of it.

Interest will need to be added to the additional amount due to Mr W from two months after he submitted his claim to the date of payment to compensate Mr W for being without these funds.

I am not concerned that Mr W insured his vehicle on a normal commercial motor insurance policy, as the policy pays a maximum of the market value without a limit. And there is nothing in the terms which states it doesn't cover unusual or unique vehicles. I'm also not concerned Mr W thought the value of his vehicle was £7,000 when he took out the policy, as

I'm satisfied with his explanation about this.

Because of the market value of Mr W's vehicle is a lot more than West Bay originally thought I consider it most likely its decision to write off the vehicle was wrong. And it should have agreed to it being repaired. This means Mr W's claim would not have been noted as a total loss. So, I think any record of the claim should be amended to show it was a claim for the cost of repairs as opposed to a total loss (if it has been recorded anywhere as this). Although, I do agree with West Bay that it is unlikely to be the fact the claim is noted as a total loss that is impacting the cost of vehicle insurance for Mr W. Obviously, the total amount payable on the claim would have been a lot less had West Bay allowed the vehicle to be repaired. But unfortunately the record of the claim payment will have to reflect the total payment West Bay will be making on the claim.

I have of course noted what West Bay has said about its decision to dispose of Mr W's vehicle. And I appreciate he had not suggested he wanted to keep the vehicle when it did so. But this does not alter the fact it is unlikely it had legal ownership of it at the point it disposed of it. And it should have known that it needed to retain the vehicle until the dispute about the settlement amount on the claim was concluded. And it remains my view that West Bay's inappropriate decision to dispose of the vehicle has caused Mr W a great deal of distress and inconvenience. I still think this warrants a compensation payment of £750.

I appreciate Mr W didn't send his engineer's report to West Bay when he got it. He's said this was because he got it for his solicitor and then ran out of money to pay his solicitor to do anything further on his complaint, which meant the solicitor stopped acting for him and the report was never sent. This is unfortunate, as it may have influenced West Bay to some extent. And it may have appointed an engineer with more experience of specialist vehicles to inspect and value Mr W's vehicle if it had seen Mr W's engineer's report. But, bearing in mind Mr W's submissions and comments, I don't think West Bay should have needed an engineer's report from Mr W to realise appointing a specialist engineer was the right option. And ultimately Mr W's report did influence the outcome of his claim. So, I consider it is fair and reasonable for West Bay to cover its cost.

I also consider the stress placed on Mr W by having to prove the uniqueness of his vehicle and West Bay's unwillingness to accept it and properly investigate the likely replacement cost, which in turn led to it being written off when this shouldn't have been the case, also caused Mr W significant distress and inconvenience. And it remains my view he should receive a further £500 in compensation for this. This makes the total compensation due for distress and inconvenience £1,250 less the £200 West Bay has already paid, i.e. £1,050.

I think it will be obvious from what I've said that it remains my view that West Bay handled Mr W's claim poorly and left him without a replacement vehicle for a long period of time. However, having considered this issue further, I think the overall compensation payment of £500 for general distress and inconvenience is enough to cover the inconvenience of not having a replacement vehicle as well.

I realise Mr W didn't actually tell West Bay he wanted to claim for the personal belongings in his vehicle. But they were his possessions and West Bay should have kept them for him, even if they were damaged. He could then have either kept them and had them cleaned or claimed for them if they were ruined. So it seems fair to me that he should be compensated for losing them. And I think £200 is fair compensation. And interest should also be added to this amount to compensate Mr W for being without this money.

Putting things right

For the reasons set out above and in my provisional decision dated 14 November 2024, I've

decided to uphold Mr W's complaint and require West Bay to do the following:

- Pay Mr W a further £55,515 in settlement of his claim, plus interest at 8% per annum simple from two months after he submitted his claim to the date of payment.*
- Pay Mr W a further £1,050 in compensation for distress and inconvenience. West Bay must pay the compensation within 28 days of the date on which we tell it Mr W accepts my final decision. If it pays later than this, it must also pay interest on the compensation from the deadline date for settlement to the date of payment at 8% a year simple.
- Pay Mr W £200 for the personal belongings he lost, plus interest at 8% per annum simple on this amount from two months after he submitted his claim to the date of payment.
- Reimburse the £250 Mr W paid for his engineer's report, plus interest at 8% per annum simple from the date he paid it to the date of payment.
- Record Mr W's claim as a claim for repairs as opposed to total loss on its system and any central database it is one. If it is simply recorded as a fault claim it will not need to make an amendment.

* West Bay must tell Mr W if it has made a deduction for income tax. And, if it has, how much it's taken off. It must also provide a tax deduction certificate for Mr W if asked to do so. This will allow Mr W to reclaim the tax from His Majesty's Revenue & Customs (HMRC) if appropriate.

My final decision

I uphold Mr W's complaint and require West Bay Insurance Plc to do what I've set out above in the 'Putting things right' section.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr W to accept or reject my decision before 5 January 2025.

Robert Short
Ombudsman