

## **The complaint**

Mrs C complains about the level of service provided by her insurer, Wakam following an accident claim she made under her policy.

## **What happened**

On 8 February 2024, Mrs C made a claim following an accident. Photos of her car were sent to an engineer on 9 February and by 19 February her vehicle had been assessed by desktop evaluation. Following that evaluation, Mrs C was advised that the car was repairable.

In March, Mrs C's vehicle was collected and taken to an approved repair garage for a full inspection. Following this, Wakam advised Mrs C that her car was uneconomical to repair due to the cost of the required repairs, so it would be classed as a write off. A settlement figure was agreed for her written off vehicle.

A payment for the agreed price was raised on 4 April 2024. Mrs C made a complaint to Wakam, as she was unhappy about the delays and its handling of her claim.

Mrs C also contacted Wakam in May to advise that she had received correspondence from the solicitors acting for the other person involved in the accident, and was being pursued for a debt because Wakam had failed to settle the claim.

In June, Wakam sent Mrs C its final response, saying it apologised for any delays and for third-party solicitors reaching out regarding claim costs. It said it had taken immediate action by contacting the solicitors and ensuring that payment was made as necessary. It apologised for not acting on this sooner and had requested confirmation that legal proceedings had been cancelled.

Mrs C didn't accept Wakam's final response. So she referred her complaint to this service, letting us know that the impact of Wakam's actions had caused her significant anxiety. Our Investigator considered the complaint and thought it should be upheld. She recommended Wakam pay Mrs C £500 compensation for the distress and inconvenience caused to Mrs C.

Wakam accepted our Investigator's recommendations and so did Mrs C. However, after some time Mrs C contacted us again to say she had not received her compensation, nor had Wakam been in touch with her. Our Investigator tried to get in touch with Wakam but received no response.

So, in order to move things forward for Mrs C, the complaint has now 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.

As this is an informal service, I'm not going to respond here to every point or piece of

evidence Mrs C and Wakam have provided. Instead, I've focused on those I consider to be key or central to the issue. But I would like to reassure both parties that I have considered everything submitted. And having done so, I'm upholding this complaint. I'll explain why.

- I've looked at the claim notes and I'm satisfied from these that the claim was progressed as I'd expect, from when it was reported in February 2024 to when payment was raised for Mrs C's vehicle in April 2024. I don't consider there to have been any unreasonable or avoidable delays in relation to this part of the claim.
- Having considered all the information relating to the accident and the third-party outlays requested of Wakam, I can see that the outlays were requested on 15 March but an offer of settlement wasn't made by Wakam to the solicitors acting for the third-party until 3 May 2024.
- Mrs C received notice of proceedings in May 2024 and contacted Wakam to advise them of this. Despite Wakam apologising for this in its final response letter in June, I can't see that it made attempts to allay Mrs C's concerns before this or contacted her to discuss the matter. It also didn't offer any compensation for the impact of this on Mrs C and all the time she had spent worrying about the situation. I've considered what Wakam has said about it being unusual for proceedings to be issued so soon after an offer is made, but I've also had to bear in mind that Wakam was in a position to make an offer of settlement much sooner than it did. And it also should've advised Mrs C that proceedings had been halted, which would've reduced her stress.
- As a result, I'm persuaded Mrs C has experienced distress and inconvenience for which she should be compensated. I consider £500 to be a fair and reasonable amount of compensation in the circumstances. This reflects that the impact of Wakam's actions have caused Mrs C considerable distress and worry, as she had to spend time preparing paperwork in defence of the proceedings and had serious concerns about her finances and the negative impact the proceedings could've had on her credit file.

### **Putting things right**

Wakam should pay Mrs C £500 compensation for distress and inconvenience.

### **My final decision**

My final decision is that I uphold this complaint and I require Wakam to put things right as I've set out above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs C to accept or reject my decision before 24 January 2025.

Ifrah Malik  
**Ombudsman**