

The complaint

Miss Y complains that Watford Insurance Company Europe Limited caused a delay in settling her claim on her motor insurance policy following the theft of her car.

What happened

Miss Y's car was stolen by a family member, and she made a claim on her policy. The police initially told Watford that Miss Y declined to co-operate with its prosecution after Miss Y didn't attend an appointment with it. Miss Y said this was a mistake caused by Watford. Watford then asked for the police report showing that Miss Y had co-operated. But the police wouldn't provide this until after the case had been concluded.

The police then sent the report to Watford, and it relied on this, and other information Miss Y had earlier provided to accept the claim. Miss Y was unhappy that she had to wait for ten months to receive a settlement. She said she'd been caused financial and mental stress during this time.

Our Investigator didn't recommend that the complaint should be upheld. He thought the initial confusion about the police interview was caused by the police, not Watford. He thought Watford was entitled by the policy's terms and conditions to not accept the claim until it had evidence that Miss Y had co-operated with the police prosecution. He thought it had reasonably chased the police for this. And he thought Watford wasn't responsible for the police's actions.

Miss Y replied asking for an Ombudsman's review, so her complaint has come to me for a final decision. She stressed that the ten month wait for the claim to be settled had caused her acute stress and financial problems. She thought Watford could have done more to support her. And she thought it's decision to accept her claim relied on information that she had earlier sent it, but that it had ignored.

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 can understand that Miss Y felt stressed and frustrated that she had to wait for so long for her claim to be settled. She's explained the effect this had on her finances and on her mental health. And I was sorry to hear about this.

Our approach in cases like this is to consider whether the insurer's acted in line with the terms and conditions of the policy and fairly and reasonably. After Miss Y complained to Watford, it drew her attention to the following exclusion in her policy:

"What is not covered:

- Loss or damage to Your Car arising from it being taken by, or driven by, a person who was not an insured driver under the Policy, but was a member of Your family or household or any other person known to You, unless You can prove that the person intended to permanently deprive You of Your Car and You have actively assisted in the prosecution of the person(s)."

I think this is a common exclusion in insurance policies, and so I don't think Watford needed to specifically draw it to Miss Y's attention when she took out her policy. And so I'm satisfied that Watford could reasonably rely upon it to decide whether to accept or decline the claim.

So Watford needed evidence that Miss Y had actively assisted in the prosecution of her family member. Miss Y initially agreed to proceed with her claim. And the police required her to attend an interview. But the police told Watford a week later that she wasn't supporting the prosecution. And so Watford declined the claim in keeping with the policy exclusion set out above.

But Miss Y said a mistake had been made. She said Watford had incorrectly advised her and because of this she hadn't attended the appointment with the police. But I'm not satisfied that this is supported by the evidence, a call with Watford and several emails between Miss Y and the police.

I can see that the police emailed Miss Y asking her to attend an appointment. So this had been arranged by the police. Miss Y then called Watford to discuss the location of her car. Miss Y asked whether she should ignore the police's email as Watford was sorting out the recovery of her car. But Watford didn't answer this question.

Watford told Miss Y it had the location of her car and recovery would be made by its salvage agent. Unfortunately, Miss Y didn't contact the police further before not attending the appointment. And so the police then told Watford she wasn't co-operating with the prosecution.

So the police had arranged the appointment. I'm satisfied Watford didn't advise Miss Y not to attend. Watford then needed to be sure that Miss Y would co-operate with the prosecution. The police declined to provide this evidence until the case was concluded by the court. And so Watford said it would reassess the claim once it had the police report and evidence that Miss Y had assisted with the prosecution. And so it was the police that declined to provide this evidence until the matter was concluded.

It then took ten months for the matter to be concluded in the court and for the police to send its report to Watford. During this time I can see that Watford chased the police. But it's not responsible for the police's delays in responding or refusal to provide a report until after sentencing. And when it did receive the police report, this didn't show that Miss Y had assisted with the prosecution. So it relied on earlier evidence sent in by Miss Y to accept her claim.

I think that's fair and reasonable in the circumstances as Watford wouldn't know that Miss Y was continuing to assist the prosecution until the case had concluded. The evidence that Miss Y had provided was dated after the case had been heard. But Watford still hadn't received the police report. And it wasn't to know what this would include. And so I can't say Watford did anything wrong in handling the claim or that it caused the delay in settlement by waiting for the police report to be provided.

Miss Y has also raised concerns about what happened when she received her settlement. But I can't consider those concerns here as Miss Y would first need to raise them with Watford to give it a chance to respond.

My final decision

For the reasons given above, my final decision is that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss Y to accept or reject my decision before 10 February 2025.

Phillip Berechree

Ombudsman