

The complaint

Mr T complains about how Watford Insurance Company Europe Limited (Watford) handled a claim under his motor insurance policy for damage to his vehicle in an accident. He says additional damage was caused to his vehicle while in the possession of Watford's salvage agents (C).

Any reference to Watford in this decision includes their agents.

This decision covers Mr T's complaint to this Service about Watford, as the insurer of Mr T's policy. Reference is made in this decision to complaints made by Mr T to the claims handler (SB) appointed by Watford to assess Mr T's claim and to C, who collected Mr T's vehicle after the accident and returned it to him following settlement of the claim. As SB and C were acting as agents of Watford in the assessment of the claim, then Mr T's complaint has been considered as a complaint against Watford.

What happened

In May 2024 Mr T was involved in an accident, in which he collided with the rear of a third party vehicle in front of him while entering a roundabout, causing damage to the front of his vehicle. He contacted Watford to tell them about the accident and lodge a claim. Watford appointed a firm (SB) as claims handlers to assess the claim, who in turn engaged a salvage firm (C) to collect the vehicle and assess the damage. C collected the vehicle in June 2024. The damage was assessed by one of C's engineers, who concluded the vehicle was beyond economical repair, so a total loss.

Based on the engineer's assessment, Watford made a settlement offer of £4,487 (less the policy excess of £820 - a net settlement of £3,667). Mr T challenged the settlement offer, which Watford increased to £4,771 (a net settlement of £3,951).

Mr T asked if he could retain the vehicle, with a view to repairing the damage. Watford said he could, if he paid a salvage value of £1,540 (deducted from the settlement, leaving a net £2,411)). Mr T agreed and C returned the vehicle in August 2024. However, Mr T was unhappy at what he said was additional damage to the vehicle while it was with C, to a door and wing panel, that wasn't caused by the accident. So, he complained.

The complaint was initially considered by C, who issued a final response in August 2024 in which they didn't uphold the complaint. They said they'd collected the vehicle from Mr T's home and attached photographs of the vehicle taken at the time of the collection. C said the photographs showed there was damage to the door and wing panel at the time of their collection of the vehicle. Mr T challenged C's response, but C maintained their position, issuing a further final response later in August 2024. They said while Mr T had provided an image of the vehicle in May 2024, this was nearly a month before they collected the vehicle, so the damage could have occurred during this period.

Mr T then complained to this Service. He said there had been significant damage to his vehicle while it was with C, something shown by his photographs of the vehicle before its collection. Which meant the vehicle was no longer worth the £1,540 he'd paid to buy it back.

He wanted a new 'buy back' price from Watford that reflected the additional damage, which he estimated would cost between £1,000 and £2,000 to repair. He'd suffered stress from having to deal with C and SB, taking multiple days off work trying to get to a resolution. It also meant delays in arranging repairs, leading to the vehicle brakes corroding and seizing. He was also being chased by the DVLA to either insure his vehicle or make a Statutory Off-Road Notification (SORN) declaration, which he couldn't do until the vehicle was repaired.

Our investigator then considered the complaint but didn't uphold it, concluding Watford didn't need to take any action. He thought the photographs of the vehicle from C showed the vehicle in the same condition at the time it was collected by C as when it was delivered back to Mr T. This indicated no additional damage occurred while the vehicle was with C. The photograph from Mr T in May 2024 didn't show the same damage as shown in the photographs of the vehicle when collected by C in June 2024. So, he concluded there weren't grounds for holding C responsible for damage that may have occurred before they collected the vehicle.

Mr T disagreed with the investigator's view and asked that an Ombudsman review the complaint. He said the photographs provided by C didn't have a date/time stamp, whereas the photograph he provided included a precise date and time, showing no damage to the door but did show other damage from the accident. So, C's photographs could have been taken at any time while the vehicle was in their possession. Mr T also questioned the similarity of C's two photographs, saying this meant they were one photograph, not two. The camera angle was identical, and the only difference was in brightness and contrast.

Mr T also questioned why the front door was damaged. He said the door didn't fully open because it was obstructed by the adjacent front wing panel, which was slightly pushed backwards towards the door, meaning the door wouldn't open fully, in turn preventing access. And he maintained there was no damage to the door either before or after the accident, or prior to the vehicle's collection. As the door wouldn't open fully, any employee of C would have to enter the vehicle through the passenger door to access the vehicle controls (on the driver's side). So, they damaged the front driver door to enable them to access the vehicle through that door (by use of a crowbar or similar tool). Mr T thought this would have happened on the date of the vehicle collection or at some point before the vehicle was returned in August 2024.

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.

My role here is to decide whether Watford have acted fairly towards Mr T.

The key issue in Mr T's complaint is the additional damage he says occurred to his vehicle while with C for assessment, before it was returned to him. He says the damage to the front door and wing wasn't present when the vehicle was collected by C. C maintain the damage was present when they collected the vehicle.

In considering this issue, I've considered carefully the views of Mr T and those of Watford (including C and SB) as well as the various photographs of the vehicle.

Starting with the photographs provided by Mr T, they do show the front door without any visible damage (kink on the leading edge adjacent to the front wing). The first photograph C provided, which they say was taken on collection of the vehicle, does show the kink. The backdrop to the photograph is what appears to be a residential road, which would be consistent with the location being outside Mr T's property (Mr T's photographs also have a

residential road backdrop). So, I think it likely C's photograph was taken at Mr T's property. The issue then, is whether it was taken at the time of collection – Mr T maintains that without a clear date/time stamp, it could have been taken at any time. Though the backdrop indicates it was taken at Mr T's property.

However, I've also noted that the engineer (from C) who inspected the vehicle while at C (the report is dated the day after the vehicle was collected by C) included photographs of the vehicle as part of their report. Looking at the photographs, they include a photograph of the vehicle in what appears to be C's salvage yard, with the same damage to the front door as shown in C's photograph in a residential road, the photograph included by C in their final response of the vehicle on collection. While Mr T says the photographs taken by C could have been taken at any time, the inclusion of the same photograph in the engineer's report indicates it was taken at the time of collection of Mr T's vehicle.

So, I'm persuaded the damage to the door, which appears to be on the leading edge adjacent to the front wing, was at the time of the vehicle being collected by C.

Looking at the second photograph, which C says was taken at the point the vehicle was delivered back to Mr T, while the camera angle is very similar to the first photograph (a point made by Mr T) to my eye there are sufficient differences that persuade me they aren't – as Mr T contends – the same photograph but with different brightness and contrast. For example, the 'kink' in the door's leading edge appears a different shape. There's also a difference in the resolution of the two photographs (the former is slightly sharper). And the apparent difference in brightness and contrast may simply reflect the difference in ambient light at the time the two photographs were taken.

Moreover, if (as I've concluded) the first photograph is likely to have been taken at the time of the vehicle's collection, then the slight difference in the apparent shape of the kink in the door isn't relevant, as the kink was already present at the time of collection. show similar damage (to the front door and wing) as those taken by C when they collected the vehicle.

When bringing his complaint, Mr T says there was additional damage to the front wing (there's reference to this in Watford's case notes when Mr T raised his concerns about additional damage). However, it's not clear how this is consistent with what Mr T has said in response to our investigator's view about the door not fully opening because it was obstructed by the adjacent front wing panel, which was slightly pushed backwards towards the door. Which suggests the wing had been damaged (displaced) in the accident.

I've also noted the report from C's engineer includes a description of the damage to the vehicle which includes the statement:

"The vehicle has sustained a frontal impact, resulting in damage to the following components and associated parts: Bumper, grilles, bonnet, both headlights, right front wing, right front door..."

Which indicates the front door and front wing were damaged at the time of the inspection (the day following collection of the vehicle from Mr T). The damage would have been used to estimate the cost of repairs to the vehicle, which the report estimate to be substantially greater than the value of the vehicle. Which supports the decision by Watford to deem the vehicle to be a total loss.

A further point that may be relevant, although not critical to my decision, is that while I haven't seen a basis for Watford's salvage figure, it's common practice for the figure to be based on contractual arrangements between an insurer and the salvage firm, reflecting the vehicle's condition and value. That is, where a policyholder doesn't elect to retain a vehicle

declared a total loss, on settlement of the claim the vehicle becomes the property of the insurer and the salvage value is the amount they would receive when the salvage agent then disposes of the vehicle. So, it's reasonable that the insurer charges the figure to the policyholder where they elect to retain the vehicle.

Taking all these points together, I'm not persuaded, on the balance of probabilities, that any additional damage was caused to the vehicle while it was in the possession of C. So, Watford haven't acted unfairly or unreasonably and I won't be asking them to take any action.

My final decision

For the reasons set out above, my final decision is that I don't uphold Mr T's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr T to accept or reject my decision before 11 June 2025.

Paul King
Ombudsman