

The complaint

Miss T complains West Bay Insurance Plc handled her motor insurance claim poorly.

West Bay's been represented for the claim at points. For simplicity I've generally referred to the representative's actions as being West Bay's own.

What happened

In May 2024 Miss T's car was damaged in a collision. She claimed for the damage against her West Bay motor insurance policy. Having assessed the damage West Bay decided to categorise the car as a 'total loss' or 'write off'. Miss T wasn't happy with the decision. After some back and forth her own repairer provided an estimate very similar to West Bay's. West Bay agreed to not write off the car, but instead cash settle the repairs to allow Miss T to have repair the car at her own garage.

Miss T complained about various aspects of West Bay's claims handling – including its decision to write off the car, unnecessary delay causing her to incur public transport costs and poor communications.

In July 2024 West Bay responded to the complaint. West Bay didn't agree there was anything wrong with Miss T being told the car was a total loss. It accepted it had caused some delay in processing the claim. It accepted it hadn't done enough to keep her updated and had failed to return her calls. West Bay didn't agree to reimburse Miss T's travel expenses, but paid her £275 compensation.

Miss T wasn't satisfied with that outcome, referring her complaint to the Financial Ombudsman Service. She said the decision to consider her car a total loss was unreasonable. She was unhappy with the general service provided by West Bay. That included delay that left her without the use of her car for two months. She would like it to cover her travel costs during that period, plus pay more compensation to recognise the impact of its service on her health and financial situation.

Our Investigator found West Bay had treated Miss T unfairly by initially considering her car a total loss and taking too long to accept it was repairable. She said that had left her without transport for a long period, as her courtesy vehicle was unfairly withdrawn. To make up for that she recommended West Bay pay a further £150 compensation and reimburse transport costs.

West Bay didn't accept that proposed outcome. It explained the policy terms give it the discretion to deal with the claim in the way it considers appropriate. It argued its decision to cash settle didn't mean its total loss decision was wrong. Instead, it was acting in response to Miss T's wishes. So it considered it unreasonable to require it cover Miss T's transport costs - besides for a period of a week or so where it accepts responsibility for delay in processing the claim. However, it considers the £275 already paid to be enough to cover that period - plus some additional funds as compensation.

I issued a provisional decision. In it I explained why I didn't intend to require West Bay to reimburse any transport costs, pay any additional compensation or do anything differently. My reasoning forms part of this final decision so is copied in below. I also invited Miss T and West Bay to provide any further comments or evidence they would like considered before I issued a final decision.

what I've provisionally 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 Miss T and West Bay 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 that I have considered everything submitted.

I realise this will be disappointing for Miss T, but having done so, I don't intend to require West Bay to pay any additional compensation, reimburse any transport costs or do anything differently.

Miss T's policy covers her against loss or damage to her car. But it provides West Bay with the right to repair the damage itself, pay to have it repaired, pay to replace what is lost or damaged if its more cost effective than repairing or pay an amount equal to the loss or damage. So West Bay can decide how to settle Miss T's claim. That means it may make a decision she doesn't agree with - considering her a car a total loss, for example. But when deciding how to settle a claim it's required to act fairly and reasonably.

I'm satisfied West Bay's decision to write off the car was reasonable and in line with the term of the cover – based on the estimated repair costs against estimated pre-loss value. Miss T objected to that outcome, preferring instead to have her car repaired. West Bay ultimately agreed to settle the claim in that way. So it isn't the case that West Bay caused unnecessary delay by making an incorrect or unfair decision at the outset.

Instead, the delay to claim settlement, largely resulted from West Bay trying to meet Miss T's requirements. So it wouldn't be fair to require it to cover her resulting transport costs for the whole two months she was without use of a vehicle.

West Bay requested, and assessed, reasonable information from Miss T to facilitate the cash settlement – unfortunately her first estimate didn't include all the necessary repairs. That meant an updated estimate, and assessment by West Bay, was required. Unfortunately, West Bay, within that process, did cause unnecessary delay of around a week or so. Other than period I'm satisfied West Bay, in the circumstances, progressed the claim to settlement in reasonable time.

Miss T's policy provides for a courtesy car - but only where repairs are being undertaken by West Bay's approved repairer. As that didn't happen I can't say West Bay failed to act in line with the policy terms by not providing a courtesy car during repairs – or for the period before repairs.

So I'm satisfied West Bay can only be held responsible for Miss T being unfairly without the use of a car for around a week or so. It's said the £275 compensation should be considered to reimburse Miss T an adequate amount for that period - at about £15 per day. That is broadly in line with the daily transport cost Miss T

requested, so seems fair. It says that total figure also allows an amount as compensation. Having considered the likely impact of West Bay's identified failings, I'm satisfied its already done enough to put things right for her.

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.

Neither West Bay nor Miss T responded to my provisional decision. So I haven't been provided with anything to change my position from that I set out in the provisional decision.

My final decision

Your text here

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss T to accept or reject my decision before 28 June 2025.

Daniel Martin
Ombudsman