

The complaint

Mr E has complained that Haven Insurance Company Limited failed to tell him it had settled a third party (TP) claim under his commercial van insurance policy. Mr E wants compensation for the inconvenience caused by Haven's failing.

Mr E is being represented by a relative in his complaint.

What happened

In December 2023 Mr E was involved in an incident with a TP vehicle. He had agreed with the TP to carry out repairs to their car privately. However, in January 2024 Mr E received notification of an intended claim from a representative of the TP for damage to their car. Mr E informed his insurer Haven. Haven received a claim from the TP which it settled as a fault claim, based on Mr E's account of what happened.

At renewal in July 2024, Mr E complained to Haven. He said it had failed to tell him it had settled a claim from the TP.

Haven didn't uphold Mr E's complaint. It accepts that it failed to tell Mr E when it had settled the TP claim. But it said when it spoke with him in January 2024 it told him if it received a claim it would settle it as a fault claim, based on the circumstances of the incident. So it didn't pay compensation to Mr E as its failure to tell him when it had settled the claim didn't change the outcome.

One of our Investigators didn't recommend the complaint should be upheld for the same reason as Haven. She explained that irrespective of whether a claim was made, Mr E was aware of the incident and was obliged to tell future insurers about it.

Mr E's representative doesn't agree and wants an ombudsman to decide. In summary he says Mr E was told in a call in June 2024 that there was no claim. He believes Mr E should receive compensation for the distress and inconvenience caused by Haven's failings.

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.

Haven accepts that it failed to tell Mr E when it had settled the TP claim. The remaining issue is whether its failure warrants a compensation award to Mr E.

We asked Haven to provide a recording of a call with Mr E in June 2024. It hasn't provided a response. In any event, I can see from an email from Haven to Mr E dated 16 July 2024 – so after June 2024 - that it accepted it had failed to tell Mr E about settling the claim.

When things go wrong, we look at what the impact was and what an insurer did to put things right. In this case, Haven apologised for failing to tell Mr E it had settled a TP claim. But the fact is that Mr E was aware of the incident and of an intended TP claim in January 2024. And Haven made him aware in January 2024 that it would be recorded as a fault claim if it received a TP claim.

When applying for a motor insurance policy, insurers ask a customer about previous incidents, irrespective of whether a claim was made or not. So, despite Haven's error which

it accepts, this doesn't change the outcome for Mr E. I say this because he was aware of the incident and was obliged to report it when looking for future insurance at renewal.

Mr E is concerned as to the claim related costs for the damage to the TP car. Haven asked an 'in house' engineer to review the claim costs and found them to be consistent and reasonable with the description of the damage caused. Mr E confirms that he didn't take photos of the TP car when the incident occurred. Overall I find Haven settled the TP claim in a fair and reasonable way and in line with the policy.

I understand Mr E and his representative will be disappointed with my decision. Not all failings warrant a compensation award, as not all errors lead to a different outcome for a customer. In this case, I think Haven's apology for its failing is enough to resolve Mr E's complaint.

My final decision

My final decision is that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr E to accept or reject my decision before 15 April 2025.

Geraldine Newbold
Ombudsman