

## **The complaint**

Ms M complains that West Bay Insurance Plc (“West Bay”) disposed of her vehicle when she didn’t collect it after it made some repairs following a claim under her motor insurance policy.

## **What happened**

Ms M had a motor insurance policy with West Bay covering her vehicle.

The keys to her vehicle were stolen in 2019. She contacted West Bay and made a claim.

Her vehicle was taken to West Bay’s repairer and fixed. But Miss M didn’t agree the work was finished as there was a fault showing on the dashboard. She complained.

West Bay provided her with an analysis from a main dealer saying that a remaining fault wasn’t related to her claim.

Miss M refused to pay her excess or collect the vehicle.

West Bay was incurring storage costs and told Miss M it would dispose of her vehicle and use the proceeds to settle her account.

Miss M continued to pay her premiums to cover the vehicle, with West Bay and then another company.

In 2024 Miss M saw her vehicle on the road. She complained to West Bay. It told her that it’d disposed of her vehicle as it’d told her it would.

Ms M complained and West Bay didn’t uphold it, so Ms M brought her complaint to this service. She asks for £20,000 which was the value she said the vehicle was worth in 2019, plus the premiums she’s paid since, plus interest and compensation for her distress and inconvenience.

Our investigator looked into it and said he thought it wouldn’t be upheld. He said he thought it’s given Ms B the appropriate notice. He also said the broker used by Ms B was looking into backdating her cancellation.

Ms M asked that her complaint was escalated to an ombudsman, so it’s been passed to me to make a decision.

I issued a provisional decision intending to uphold Ms M’s complaint in part. I thought West Bay acted fairly in disposing of her vehicle but I didn’t think it should have kept all of the money it raised from the sale.

*I can see from the file that the repair work on the locks and keys on Ms M’s vehicle were carried out in 2019. There were difficulties during the claim. After it was repaired, there was a warning light on the dashboard, which led to her refusing to collect her vehicle or paying the excess.*

*What I need to say is that West Bay dealt with Ms M's complaint at the time, and sent her a final response. What this means is I'm not going to consider the repairs and process that took place in 2019-20.*

*Because Ms M didn't collect her vehicle, it sat on site at West Bay's supplier for about a year. West Bay incurred storage costs during this time. It wrote to Ms M and told her it would dispose of her vehicle and recover its costs. It then did so in October 2020 after its suppliers had the vehicle on site since April 2019.*

*I've read the letters sent to Ms M about this, and I think they're clear and tell Ms M what she needs to do. I think it's also fair that West Bay sought to cover some of its costs by selling the car.*

*In 2024, Ms M then saw the vehicle being driven around, and made a further complaint to West Bay saying she thought it had stolen her vehicle. In her approach to this service, Ms M said her claim was ongoing, but from the evidence I have, her claim was ended in about October 2020.*

*West Bay received £1,200.42 for the vehicle but incurred costs of £480 in storage charges. I can see West Bay incurred costs of £1,160.39 in repairs, and Ms M would have been asked to pay her £100 excess from that, but she refused to do so.*

*I think it's fair that West Bay use the money it got from selling the vehicle to pay for its costs in storing the vehicle, because I reasonably think Ms M caused the costs to reach those levels. But I don't agree it's fair of West Bay to use the remainder of the balance to offset its claims costs.*

*The claim made by Ms M was, as far as I can tell, valid. I can see West Bay agreed to cover the full cost of the repairs, even though there was a limit within the policy that may have affected this amount, and I think its decision was fair.*

*So, I don't think it's fair West Bay offsets its claims costs, and it needs to return the difference between what it sold the vehicle for, less £480 storage costs, and less Ms M's excess of £100, which makes £620.42.*

*West Bay also needs to pay 8% simple interest on this amount from the date it sold the vehicle to the date it makes this payment.*

*I've said above that Ms M has also said she's continued paying her premiums throughout this period. It's my understanding that this is being dealt with by her broker who is exploring cancelling her policy and backdating that. I'm not going to deal with this issue here, as this part of her complaint is against another business. But I will mention that if Ms M is unhappy with the way this cancellation is dealt with she can make a complaint and her complaint may also reach this service in due course.*

## **Responses to my provisional decision**

West Bay agreed with my provisional decision.

Ms M responded. She clarified that her keys had been stolen, and she made several points about the claim she made, including the quality of the repairer and that she wasn't given a courtesy car. She explained that she didn't refuse to pay her excess, because she maintains her car wasn't repaired. Ms M also reiterated her point about the amount she thought her vehicle was insured for.

## **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've explained above that West Bay gave Ms M its final response in 2020 about the service she had during the claim, so I'm not able to consider those matters further here as she didn't approach this service within the time she's allowed.

Ms M has also talked about her understanding that her vehicle was insured on an 'Agreed Value' basis, but I can't see that she's complained about this point. She's free to make a further complaint about that, which may reach this service in due course, but I can't consider it further here.

In my provisional decision I said I'm only able to consider whether West Bay's disposal of her vehicle was fair, and as I've not been provided with information that persuades me otherwise, I think West Bay acted fairly in disposing of it and I think it did reasonably tell Ms M what it was going to do.

But I also think it should have paid her the remainder of the sale price it achieved, less the storage costs and Ms M's excess.

I do appreciate this will be a disappointment to Ms M, as I'm upholding this complaint but only in respect of the money West Bay now needs to return to her.

## **My final decision**

It's my final decision that I uphold this complaint in part. I require West Bay Insurance Plc to pay £620.42 to Ms M in respect of the money it earned from the sale of her vehicle, after storage costs have been deducted.

Interest at 8% simple should be added to this figure from the date it sold the vehicle to the date it makes this payment.

If West Bay Insurance Plc considers that it's required by HM Revenue & Customs to withhold income tax from that interest, it should tell Ms M how much it's taken off. It should also give Ms M a tax deduction certificate if she asks for one, so she can reclaim the tax from HM Revenue & Customs if appropriate.

West Bay Insurance Plc must pay the amount within 28 days of the date on which we tell it Ms M accepts my final decision. If it pays later than this, it must also pay interest on the amount from the date of my final decision to the date of payment at 8% a year simple.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms M to accept or reject my decision before 11 July 2025.

Richard Sowden  
**Ombudsman**