The complaint

Miss M has complained about Haven Insurance Company Limited. She isn't happy about the way it dealt with a claim under her motor insurance policy.

What happened

Miss M was involved in a serious road traffic accident when a pedestrian ran out in front of her vehicle. As the accident involved a pedestrian and a third-party who collided with the rear of her vehicle there was some doubt initially whether the claim would be marked as fault or non-fault. But it was quickly established that the claim would be marked as non-fault and Haven advanced the claim and Miss M's car was deemed a total loss and she was paid the market value of her car.

However, Miss M wasn't happy with the delay in finalising her claim; the fact that her car was in the process of being sold before she received the settlement; that she had to chase for updates; and about the poor service she received. And so she complained to Haven and then this Service.

Our Investigator looked into things for Miss M and partly upheld her complaint. He felt that Haven had delayed in settling Miss M's claim without any real explanation; that Miss M was forced to chase about her claim and for updates at a particularly difficult time for her following the accident; that Haven didn't keep her up to date about the settlement of her claim amongst other things. And he awarded £250 by way of compensation for her stress and inconvenience and for any loss of expectation as she wasn't given the opportunity to retain her car.

As Miss M didn't agree, the matter has been passed to me for review.

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 know this must have been a very difficult time for Miss M after she was involved in a serious accident with her children in the car. And I agree that the service Haven provided was poor and that it should not have sold her car before it finalised settlement but overall, I agree that £250 compensation seems fair for the difficulties faced. I know this will come as a disappointment to Miss M, but I'll explain why.

I'd also like to reassure Miss M that whilst I'm aware I may have condensed some of the complaint points in far less detail and in my own words, I've read and considered everything she's told us. I'm satisfied I've captured the essence of the complaint, and I don't need to comment on every point individually, or possibly in the level of detail she would like, in order to reach what I think is a fair outcome.

This isn't meant as a discourtesy, but it simply reflects the informal nature of our Service. And I note that there are additional complaint points that will have to be advanced separately as they haven't been considered by the insurer or the broker in the first instance. I'll leave Miss M to advance these separately.

What is clear is that Miss M faced a number of difficulties here in advancing her claim which was complicated by a pedestrian and a third-party vehicle being involved, especially during the initial stages of the claim when it was being decided if Miss M was entitled to a hire car (as the claim was non-fault) or not. But I agree with the Investigator that any insurance claim is difficult and can be complicated, especially a claim like this, and some of the early issues were unavoidable and took a bit of time.

However, some of the additional problems and delay could have been avoided. I agree the claim took too long to finalise and Haven hasn't really explained the delays so I agree that Miss M should be compensated for this. And I agree that the sale of Miss M's car without her permission and before settlement was finalised was poor and this shouldn't have happened. Miss M was thinking about buying the salvage (her own car) back and the fact that it was already being sold at auction hampered this. But I haven't seen any evidence that Miss M would have bought the car back and she has been paid the full market value of her car, so she hasn't lost out here. However, I agree that it must have been stressful and worrying to have not been told about the upcoming sale before her settlement was finalised. And so, I agree that Miss M should be compensated here.

So, given it took a few months to pay Miss M the market value of her car without explanation, that Miss M had to chase the claim at a very difficult time for her after the accident, and that Haven looked to sell her car before she had agreed settlement, I agree that she should be paid £250 compensation. I know Miss M feels she should be paid more but I feel that £250 is fair and is in line with the kind of award this Service generally makes in circumstances like these.

Finally, I note that Miss M has advanced a complaint separately in relation to the refund of a small amount of premium that she feels was due once her car was written off and the claim was settled. I must highlight that Miss M's policy makes it clear '*If the claim is settled as non-fault, and subject to payment of any Excess, We will refund a part of the premium according to the number of days remaining before the end of the Period of Insurance from the date of cancellation. If settled as a fault claim and We have incurred costs as a result, then no refund of premium will be given, and the full annual premium will be payable.'* It goes on to say that *'Any refund due will be sent to Your Broker*.' and that your '*Broker may charge You a cancellation fee.'* As Miss M has complained to her broker about this, I will leave her to advance this separately now.

My final decision

It follows, for the reasons given above, that I'm partly upholding this complaint. I require Haven Insurance Company Limited to pay Miss M £250 (total) compensation.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss M to accept or reject my decision before 23 September 2025.

Colin Keegan
Ombudsman