

## **The complaint**

Miss W complains about delays in U K Insurance Limited ('UKI') dealing with a claim made on her car insurance policy.

## **What happened**

Miss W was involved in an accident with a foreign lorry in September 2022. So, she contacted UKI to make a claim.

Following the accident, UKI contacted the Motor Insurers' Bureau ('MIB') to request details of the foreign lorry's insurer, and their UK handling agents, and it carried out repairs to Miss W's car, which were finished in October 2022.

In January 2023, Miss W made a mid-term adjustment to her policy after changing her car, causing her annual premium to increase from £522.13 to £765.

By July 2023, the claim was still open and being investigated by UKI. Around this time, Miss W's policy with UKI was due to end, and she took out a new policy with a different insurer.

On 30 August 2023, UKI provided a final response to a complaint about the claim still being open, the impact this was having on the policy premium, and a lack of updates. UKI said the claims involving foreign vehicles can be more complex and that it had contacted the MIB in September 2022, but it didn't receive a reply, and it didn't contact the MIB again until 28 April 2023, which caused a delay. It also said it should have kept Miss W updated, but hadn't provided her with any updates since September 2022 and it hadn't called Miss W at one point when it should have. In recognition of these issues, UKI compensated Miss W £200.

In October 2023, UKI received details of the UK handling agent for the insurer of the foreign vehicle. UKI sent allegations to the UK handling agent but issues with the registration number for the third party vehicle meant that progress with the claim was again delayed.

Miss W made another complaint and UKI provided a final response to it on 25 July 2024. It said it had caused further delays on the claim due to periods where no action was taken and a delay was caused by the wrong registration number being used for the third party vehicle being used to search the Motor Insurers' Database, which meant more work was needed to ensure it identified the correct insurer for the third party vehicle. In response to these issues, UKI agreed to compensate Miss W a further £450.

Remaining dissatisfied, Miss W brought her complaint to us in September 2024. After doing so, Miss W made another complaint to UKI which it provided a final response to on 20 October 2024. It said a further delay had been caused on the claim because it requested information from Miss W which it had already received and to put that right it agreed to compensate Miss W a further £100.

In November 2024, UKI wrote to Miss W to say it had now closed the claim, refunded Miss W her excess and reinstated her no claims discount. However, after this, Miss W reported problems in receiving a refund she was expecting from her new insurer after the claim was closed as non-fault.

Our investigator thought the complaint should be upheld. She thought it likely UKI's handling of the claim delayed the resolution of it which resulted in Miss W having to pay a higher premium when she went to the new insurer due to the claim still being open at the time Miss W took this policy out. So, she said UKI should reimburse Miss W the difference she'd paid between her UKI policy for the policy year 2022 to 2023 and the premium she paid to the new insurer for the policy year 2023 to 2024 and that it should add interest to this. She also thought further compensation was warranted for the impact caused to Miss W of the delays on the claim and recommended UKI pay another £100 to bring the total to £850.

UKI replied to say it didn't think it was reasonable for it to pay any more compensation and that it had recently already paid Miss W another £200, which brought the total to £950. Miss W replied to say she didn't think the premium difference calculated by the investigator was right and that she had paid an increased premium of over £1,000 for two years and not one.

Because neither party agreed, the complaint was referred to me to decide. I issued a provisional decision not upholding the complaint, and I said:

*"I should start by saying while I've read and considered everything Miss W and UKI have provided, I won't be commenting on every point made. I'll instead concentrate on what I consider are the key points I need to think about for me to reach a fair and reasonable decision. This isn't meant as a discourtesy to either party, but instead reflects the informal nature of this Service."*

#### Why we can't look at parts of this complaint

*I've firstly considered whether this Service can consider Miss W's complaint.*

*Our powers to consider complaints are set out in the Financial Services and Markets Act 2000 (FSMA) and in rules, known as the Dispute Resolution Rules ("DISP") written by the Financial Conduct Authority ("FCA") and contained within the FCA Handbook.*

*These rules say we can't consider a complaint that has been referred to us more than six months after the date of the final response letter unless the respondent business consents to us doing so, or the ombudsman considers the failure to refer the complaint in time is down to exceptional circumstances. The relevant rule which sets this out is DISP 2.8.2 R (1) in the FCA Handbook - a copy of which can be found on the FCA's website*

*UKI provided its first final response on 30 August 2023. In this final response, UKI set out Miss W's rights to refer her complaint to us and said she would need to do so within six months of the date of the final response. But Miss W didn't refer her complaint to us until 4 September 2024. So, the complaint wasn't brought to us in time for the matters UKI responded to in its first final response.*

*UKI also said in this final response we would not have its permission to consider the complaint if it was brought to us late. And it has reconfirmed that it still does not grant this permission. So, I'd only be able to consider this part of Miss W's complaint if I was satisfied there were exceptional circumstances as to why the complaint was brought late. So, I've considered if there were.*

Miss W says that she trusted after the August 2023 final response that UKI would correct the situation quickly and wouldn't let her down again. I sympathise with Miss W that there were further issues with her claim after UKI provided this final response. But I don't find this to be an exceptional circumstance that prevented Miss W from being able to contact us to let us know she wanted us to complain.

The final response which UKI sent was to address to the complaint about the level of service which it had provided up to that point and if Miss W thought that UKI had unfairly responded to this complaint she would have needed to bring her complaint to us within six months of that final response. Doing so would not have prevented Miss W from being able to complain again to UKI had there been any further issues on the claim after this final response. And given that Miss W remained in contact with UKI after the first final response was sent, I don't think there were any other exceptional circumstances which prevented Miss W from being able to bring the complaint to us.

So, I find that the complaint about the events up to UKI's final response of 30 August 2023 are time barred and cannot be considered. This means that I also won't be making any finding on Miss W's complaint point that she paid a higher premium to her new insurer due to the claim still being open. This is because the new policy started on 29 July 2023 before UKI had provided its first final response. But since I cannot consider the delays on the claim up to the point of this final response, I cannot consider if Miss W avoidably paid a higher premium to her new insurer because of those delays. If Miss W believes that she is eligible for a refund of any premium with her new insurer now that the claim is closed, she may wish to take that up directly with her new insurer.

After Miss W brought her complaint to us, UKI provided another final response on 20 October 2024. The investigator considered events up to the point of this final response, and UKI has provided further evidence relating to this period. So, I'll be considering within this decision if UKI responded fairly to the complaint about events up to the 20 October 2024 final response.

However, after this final response, Miss W made another complaint about the Claims and Underwriting Exchange ('CUE') not being updated by UKI with the correct details. UKI replied to this in January 2025 and offered Miss W a further £200 compensation, following which it provided a final response on 20 February 2025 and agreed to compensate Miss W £50. A separate complaint has been set up by our Service to look into the CUE issues which Miss W complained about, so I won't be making any findings on that here.

To summarise, for the reasons I've set out I will be considering in this decision the events complained about which happened after UKI sent its final response on 30 August 2023 up to when it sent its final response on 20 October 2024. I'll now set out my findings on the merits of the complaint for that period in the claim.

#### UKI's handling of the claim

As UKI mentioned in one of its responses, claims involving foreign vehicles can unfortunately take longer to resolve. The usual process for this is that an insurer will contact the MIB for details of the third party's insurer and its UK handling agents, following which the insurer will liaise with the UK handling agent to negotiate liability.

Regardless of this, UKI should have handled the claim fairly including by proactively progressing it and keeping Miss W updated. UKI doesn't dispute that there were shortcomings in how it handled the claim and delays caused as a result. Miss W's claim had already been open for just under one year by the time UKI sent its first final response, and

*following this final response it took approximately 14 more months for the claim to be resolved.*

*UKI said that there were multiple periods where no action was taken to progress the claim, and a delay was caused due to the wrong third party vehicle registration being used which resulted in allegations being sent to a third party insurer who denied involvement. Ultimately, I think significant avoidable delays were caused on the claim due to how UKI administered it. And I think the likelihood is the claim could have been resolved much earlier had UKI been more proactive and progressed the claim using the correct details.*

*Following the 25 July 2024 final response, looking at the claim notes I think UKI were more proactive in progressing the claim after it obtained the correct UK handling agents. However, it accepts it caused another brief delay on the claim by asking Miss W to provide some information which she had already given. So, I think that caused some additional unnecessary inconvenience to Miss W.*

*In total, UKI compensated Miss W £550 for the distress and inconvenience caused by how it handled the claim between when it sent the final response on 30 August 2023 to when it sent the final response on 20 October 2024. I've considered if this amount is fair and reasonable.*

*I've thought about the impact to Miss W. Miss W's car was repaired by UKI early in the claim, so although there were delays with the liability aspect of the claim, this didn't unfairly cause Miss W to be without her car for longer. I think the main impact to Miss W was the inconvenience caused by having to chase UKI for updates and having to continue to engage with it on the claim, including responding to its request to provide information she'd already given.*

*I think Miss W was also caused a lot of upset because after making her first complaint, she reasonably expected the claim to have been managed more effectively from that point, but delays continued. I think Miss W was also caused upset by being without her excess for longer than she may have expected, and from the perceived impact the claim was having on her premium with her new insurer.*

*But I think the total compensation UKI paid of £550 was in line with our award levels for the level of impact caused and the duration of the delays on the claim. As such, while I agree UKI did not handle the claim fairly, and sympathise with Miss W for the upset this caused, I think it has already provided a fair and reasonable response to the parts of this complaint which I could consider, and because of this, I don't intend to award any further compensation."*

*UKI replied saying it accepted the provisional decision. Miss W replied saying she hadn't realised UKI hadn't dealt with the claim until she renewed again in July 2024 and that her complaint was within the timescale of the second final response letter from UKI. She says she sees it as two complaints, one in August 2023 and a second complaint in July 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.*

*Miss W responded with some further comments about the finding in my provisional decision that her complaint about the events up to UKI issuing its final response of 30 August 2023 was time barred and the merits of which could not be considered due to Miss W bringing her complaint to our service more than six months after the date of the final response.*

While I've considered Miss W's comments, I don't find there to be any new information which changes my position on this.

UKI provided Miss W with a final response dated 30 August 2023 in response to her complaint that her claim was still open. UKI considered the events of the claim up to the date of this final response. UKI acknowledged in this final response that there were some delays on the claim and it had failed to keep Miss W updated, so it compensated her £200.

This final response was to address the events which had happened up to point it was issued. I don't dispute that the claim was still open at this point, but ultimately, if Miss W didn't think that UKI had provided a fair response to her complaint about the events which had taken place up to the point of this final response, she would have needed to refer her complaint to us within six months of that final response, and if Miss W was unhappy with anything else which happened after the date of this final response, she would have needed to make a new complaint to UKI.

Miss W said that her complaint was brought to us within the timescale of the second final response. But I don't dispute this. I said in my provisional decision that Miss W had brought her complaint to us in September 2024 and that I would be considering the events complained about after UKI provided its final response on 30 August 2023 and up to the final response it provided on 20 October 2024. So, this included the final response UKI sent on 25 July 2024.

Neither UKI or Miss W have provided me with anything more to think about regarding the merits of the complaint for the period, which I found to be in jurisdiction and for which I provided my findings on in my provisional decision. As such, I see no reason to depart from the position I reached in my provisional decision. So, for the same reasons I set out in my provisional decision, I agree that UKI did not handle the claim fairly but by paying Miss W £550 compensation I think it has already provided a fair and reasonable response. Accordingly, my final decision is to not uphold the complaint.

### **My final decision**

My final decision is that this Service cannot consider Miss W's complaint about the events up to U K Insurance Limited's final response of 30 August 2023 because Miss W did not bring her complaint to us within six months of that final response.

And, having considered the merits of the complaint for the events after 30 August 2023 and up to the final response of 20 October 2024, I don't uphold the complaint because I find that U K Insurance Limited already provided a fair and reasonable response.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss W to accept or reject my decision before 22 July 2025.

Daniel Tinkler  
**Ombudsman**