

The complaint

Mr C and Mr G complained about the service they received from Travelers Insurance Company Limited (TICL) during a claim on their marine insurance policy.

Throughout the claim process, TICL have hired third parties to deal with the claim on their behalf. In this decision, any reference to TICL includes the actions of the appointed third parties.

What happened

Following a previous complaint with this service, TICL agreed to consider a claim for damage to Mr C and Mr G's boat. Mr C and Mr G have complained that the process to review the claim took too long. After TICL accepted the claim, they needed to collect the boat.

Due to a lack of equipment on the day, TICL borrowed Mr C and Mr G's trailer and a forklift from a local business. It was agreed that the trailer would be returned the following day which unfortunately didn't happen. Mr C and Mr G allege the trailer was returned damaged. Mr C and Mr G also argue that TICL used the forklift without any permission. When trying to raise a complaint, Mr C and Mr G have said TICL wouldn't provide them with details of the complaint procedure.

TICL reviewed the complaint but didn't think they'd done much wrong. They didn't agree they'd damaged the trailer. They said that if there was damage, it must have been pre-existing. They accepted that the trailer was returned late and apologised for this. They also accepted the claim had taken some time, this was due to needing a specialist engineer. They also apologised for this. However, they said they'd had consent to use the forklift. Mr C and Mr G weren't happy with the response and so brought the complaint to this service.

Our investigator didn't uphold the complaint. They said they couldn't look into Mr C and Mr G not being provided with the complaints procedure as this was about complaint handling and so not a regulated activity. They didn't think there was enough evidence to suggest the trailer was damaged by TICL or that the forklift was used without consent. Finally, they didn't think the claim review was excessive. Mr C and Mr G appealed. They didn't think it was fair they had to provide photos of the trailer from a few days before the incident. They felt what they'd provided was enough to show the damage was most likely caused by TICL. As no agreement could be reached, the complaint has been passed to me to make a final decision.

Because I disagreed with our investigator's view, I issued a provisional decision in this case. This allowed both TICL and Mr C and Mr G a chance to provide further information or evidence and/or to comment on my thinking before I made my final decision.

What I provisionally decided and why

I previously issued a provisional decision on this complaint as my findings were different from that of our investigator. In my provisional decision, I said:

"I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint.

Based on what I've seen so far, I intend to uphold Mr C and Mr G's complaint. I know TICL will find this disappointing, but I've explained my reasons below.

At the outset I acknowledge that I've summarised their complaint in far less detail than Mr C and Mr G have, and in my own words. I'm not going to respond to every single point made. No discourtesy is intended by this. Instead, I've focussed on what I think are the key issues here. The rules that govern the Financial Ombudsman Service allow me to do this as it's an informal dispute resolution service. If there's something I've not mentioned, it isn't because I've overlooked it. I haven't. I'm satisfied I don't need to comment on every individual point to be able to reach an outcome in line with my statutory remit.

Mr C and Mr G haven't responded to us not being able to look into the complaint procedure request issues. As such, I don't intend to go into this point in any detail. However, I do agree that complaint handling isn't a regulated activity and as such, this isn't a complaint point we'd be able to consider. I've addressed each other point separately below:

Claim delays

TICL agreed to our previous complaint outcome in early February 2024. However, it took until late February 2024 for an initial inspection to take place. Ultimately it wasn't until mid-May 2024 that the boat was collected.

Whilst I accept a specialist report was needed, I don't think three months is acceptable for this claim to have been reviewed and accepted. Looking at the claim notes provided by TICL, I do think there were some avoidable delays. As such, I'm intending to award Mr C and Mr G some compensation for the delays caused. I've gone into this in more detail below.

Use of forklift

It's very difficult to confirm either way whether TICL had permission to use the forklift or not. However, the forklift belonged to a local business. So, whether TICL had permission to use it or not, I don't think it's relevant to this complaint. This is because there is no detriment, that I've seen, to Mr C and Mr G in their capacity as individuals on this marine insurance policy. So, I don't intend to ask TICL to do anything further on this point.

Trailer return delay

TICL has accepted the trailer was returned late. From looking at the claim notes, the boat with the trailer was collected on 13 May 2024 with the trailer due to be returned the following day. Instead, it appears it was returned on the 15 May 2024. However, TICL also borrowed Mr C and Mr G's engine stands. These weren't returned until 24 May 2024.

There was a delay in both the trailer and the engine stands being returned. The trailer was a rental and so I can understand why this caused Mr C and Mr G distress when it hadn't been returned. I'm intending to award some compensation for the delays in returning these items.

Trailer damage

From what I've seen, it isn't in dispute that the trailer is damaged. It's very difficult to know whether the damage was pre-existing or caused by TICL. So, I've used the information we have to decide what I think is most likely.

TICL have provided a photo of the boat loaded at a slight angle on the trailer which they say was before they started lifting it. It's stated that this slight angle indicates that the trailer was already bent before it was lifted. Whilst this might be the case, this comment is provided by a Financial Controller. No information has been provided around what qualifications this individual has to make this assumption.

Mr C and Mr G have said that the damage to the trailer means that it's not roadworthy. I've not seen an expert opinion to confirm this.

The boat was loaded on the trailer when TICL arrived to collect it. As the boat was in dry storage, I would assume the boat had been on the trailer for some time, or likely since being taken to that location following the damage to it. Mr C and Mr G would be taking a risk on using the boat on this trailer if it was damaged, especially if it wasn't roadworthy as they say. The boat is worth a lot of money, and if the boat was damaged due to damage to the trailer, it would likely invalidate any insurance claims they may need to make.

When TICL arrived to collect the boat, and they took the photo of the boat at a slight angle on the trailer, if they thought this was unusual or that there may be some pre-existing damage to the trailer, I'd have expected them to inspect the trailer to see if it was damaged so they wouldn't be liable for it. If the trailer was already damaged, it might not have been safe to use. I've not seen any evidence that TICL suspected the trailer was damaged, or inspected it, prior to lifting it onto their recovery vehicle.

Mr C and Mr G have provided an email from a trailer retailer. In this, they confirm that the trailers aren't designed to be lifted when loaded. However, they also state that the trailers are robust enough to cope if slings are used appropriately. There are also photos of the boat and trailer tied down to the back of the recovery vehicle. Ratchets were used to secure the boat and trailer in place. Mr C and Mr G have said this would cause additional weight and strain on the trailer. I have no reason to believe this wouldn't be the case.

Based on everything I've seen and for the reasons above, I think it's most likely that the damage to the trailer was caused by TICL during the recovery. As such, I'm intending to ask TICL to compensate Mr C and Mr G for this damage.

It must have been distressing and caused inconvenience to Mr C and Mr G to have to chase TICL due to delays in assessing the claim and returning their items and due to the damage to the trailer. Although this is a distilled version of events, I've considered everything in the round and I think Mr C and Mr G have been caused considerable distress, upset and worry which has taken a lot of extra effort to sort out over several months. In line with our website guidelines, I intend to ask TICL to pay Mr C and Mr G £300 compensation for the trouble and upset caused.

Based on everything above, I intend to ask TICL to do the following to put things right:

- *Pay £300 compensation*
- *Liaise with the owner of the trailer and either:*
 - *Pay damages directly to the trailer owner in line with any rental agreement; or if not applicable*
 - *Pay for the trailer to be repaired; or*
 - *Replace the trailer with a like for like second hand trailer; or if none are available*
 - *Replace the trailer with a like for like brand-new trailer.*
- *Refund Mr C and Mr G any rental and storage costs for the trailer since 15 May 2024*
- *Pay 8% simple interest on the rental and storage costs from the date of each payment by Mr C and Mr G to the date of payment from TICL."*

I set out what I intended to direct TICL to do to put things right. And gave both parties the opportunity to send me any further information or comments.

Having reviewed the responses to my provisional decision, I didn't think the redress I'd set out was fair. So, I wrote to both parties with an amended redress. I said as follows:

"I now propose that to put things right, TICL should do the following:

- *Pay £300 compensation*
- *Pay a total of £126 for the additional costs of storage and trailer rental*
- *Pay 8% simple interest on the additional costs for storage and trailer rental, based on:*
 - *£56 of the total cost from 18 October 2024 to the date of payment by TICL*
 - *£70 of the total cost from 5 March 2024 to the date of payment by TICL*
- *Pay £5,400 to cover the cost of the damaged trailer*
- *Pay 8% simple interest on the cost of the trailer from 28 February 2025 to the date the payment is made by TICL.*

Mr C and Mr G have confirmed that the owner of the trailer agreed a settlement figure of £5,400 to settle the damages to the trailer. Mr C and Mr G agreed to this and payment has been made. Based on the information I've seen, this figure is less than the cost of a brand new replacement trailer. I've seen no evidence that this isn't a fair and reasonable figure. As such, TICL should cover this cost. Mr C and Mr G made payment of the majority of this on 28 February 2025. So, to cover their financial loss on this figure since this date, TICL should pay 8% simple interest as well.

Mr C and Mr G have confirmed that prior to the damage to the boat, it was stored in a dry stack. This was at a cost of £853 per month. However, after the damage occurred, to avoid further damage and to ensure the claim would be payable, the boat was moved to a different storage location on a rented trailer. This was at a cost of £867.00. Mr C and Mr G have confirmed that once the boat was removed from dry stack, they weren't required to pay anything further for this. The difference between the dry stack costs which they had been paying and the new storage and trailer rental costs are £14 per month. This lasted for a total of nine months. So, Mr C and Mr G have had a financial detriment of £126 in total over those 9 months compared to what they were paying previously and would have continued to pay had the boat not been damaged. So, TICL should pay Mr C and Mr G £126 to cover this loss. Mr C and Mr G have sent evidence that payment was made for this in two separate payments, to cover June to September on 18 October 2024 and for October to February on 5 March 2025. TICL should also pay 8% simple interest based on these payment dates to cover financial losses of not having this money."

Responses to my provisional decision

Overall, TICL confirmed they didn't agree with my provisional decision. However, TICL agreed to all points of redress other than to pay the costs of the damaged trailer. On this point, they said the following:

- TICL have had no claim presented for the damages to the trailer and have had no opportunity to review costs and agree quantum
- TICL believe their right to validate claims has been taken away from them
- Trailer should have been returned to the hire company
- Unclear how it has been deemed a fair figure when normally a surveyor would be used

Mr C and Mr G accepted my provisional decision.

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.

As both parties are now in agreement with the majority of my outcome and suggested redress, I will concentrate on the sole point that TICL doesn't accept.

Mr C and Mr G have confirmed the hire of the trailer was through a private individual and not a hire company. As such, there is no hire agreement. Mr C and Mr G did try to return the trailer to its owner, but due to the damage, the owner refused to take it back until the damage had been repaired or trailer had been replaced. To mitigate the rental costs as a result, Mr C and Mr G agreed a cost for damages for the trailer.

TICL has set out that no claim was presented to them for the damage to the trailer and so they've had no opportunity to review costs. I don't agree this is correct. Whilst TICL haven't had a claim from the third-party owner, Mr C and Mr G raised with TICL on multiple occasions about the damage caused to the trailer. TICL had the opportunity to review the damage in detail, validate it and review potential costs. However, they dismissed any damage was caused by themselves.

I think a claim was raised with TICL by Mr C and Mr G which was declined. So, TICL has had the opportunity to validate the claim and review costs. I think this left Mr C and Mr G with no option other than to agree a settlement with the trailer's owner to mitigate further costs.

Regarding the agreed settlement for the trailer, Mr C and Mr G have provided me with an email from a trailer retailer. This confirms that a brand new trailer of the same make and model would as of June 2024 cost £5,189 plus VAT (£6,226.80). So, Mr C and Mr G agreed a price that was significantly less than the cost of a brand new trailer. Whilst I accept that had TICL accepted the claim, they might have been able to source a like for like trailer at a lower cost, based on the brand new price, I don't think the agreement figure is unreasonable. I've also been sent the invoice for the cost of the damaged trailer and seen that Mr C and Mr G have made payment.

For the reasons set out above, my outcome hasn't changed from my provisional decision.

Putting things right

To put things right, TICL should do the following:

- Pay £300 compensation
- Pay a total of £126 for the additional costs of storage and trailer rental
- Pay 8% simple interest on the additional costs for storage and trailer rental, based on:
 - £56 of the total cost from 18 October 2024 to the date of payment by TICL
 - £70 of the total cost from 5 March 2025 to the date of payment by TICL
- Pay £5,400 to cover the cost of the damaged trailer
- Pay 8% simple interest on the cost of the trailer from 28 February 2025 to the date the payment is made by TICL

My final decision

For the reasons I've explained above, I uphold this complaint and direct Travelers Insurance

Company Limited to put things right by doing as I've said above, if they haven't already done so.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr C and Mr G to accept or reject my decision before 7 August 2025.

Anthony Mullins
Ombudsman