

The complaint

Mr S complains about how Watford Insurance Company Europe Limited ('Watford') handled a claim on his motor insurance following an accident.

Mr S's policy was sold and is administered by a third party company. Watford used another company to handle Mr S's claim and most of his correspondence has been with this company. However, Watford is the policy underwriter so this complaint is against Watford. Any reference to Watford in my decision includes the administrator and claims handling company.

Mr S is represented in this complaint by a representative, Ms W. For simplicity, I'll refer mainly to Mr S in my decision.

What happened

Mr S had a Watford motor insurance policy, taken out via an insurance broker. In October 2024, he was involved in a car accident. Watford was made aware of the accident on 1 November and emailed Mr S the same day. It asked him to complete and return an Accident Report Form (ARF). The events surrounding the accident are disputed and are currently the subject of court proceedings.

Mr S says, in summary:

- Watford ignored his emails and delayed progressing his claim.
- It didn't provide him with a courtesy car or tell him where his car was stored.
- This has had a significant financial, physical, and emotional impact on him.
- He wants Watford to return his car and personal property to him, and compensate him for the distress caused.

Watford told him it wasn't able to progress the claim until it had received more information from him but apologised for any inconvenience. It also told us:

- Dashcam/mobile phone footage called into question Mr S's account of the accident. The claim was on hold pending the police report.
- The car was with the finance company. It had asked the finance company to hold off disposing of the car due to its ongoing investigations, however they wouldn't return the car to Watford "*due to inherited charges.*"
- It continued to request the police report. On 7 May the police advised Watford that the report would be released once court proceedings had been completed.

Our investigator recommended that the complaint should be upheld in part. He was satisfied that Watford had requested the police report promptly and couldn't be held responsible for a third party failing to provide information needed to progress the claim. He also found that Watford wasn't required to offer a courtesy car under the policy terms.

However, he found that Mr S emailed multiple times between 7 and 18 November but failed

to acknowledge these until 19 November. He also found that Watford failed to call Mr S on 25 November, as promised. Our investigator thought Mr S should be considered a vulnerable customer, so he didn't think these failings were acceptable. He recommended that Watford pay Mr S £200 to reflect this.

Watford didn't accept this, so the complaint was passed to me.

My provisional decisions

I issued provisional decisions on this complaint in July and August 2025, which I've summarised below:

- Section 5 of Mr S's policy booklet says: "*Courtesy Cars are not provided if Your Car is stolen or determined as a total loss.*"
- Watford's internal notes and footage of the aftermath of the accident show Mr S's car was most likely a total loss.
- Watford was also aware Mr S suffered a concussion in the accident. On 26 November, Mr S told Watford he'd been "*in and out of hospital for 28 days*" for his concussion and explained his other health issues. In the circumstances, I understand why Watford might have been concerned about whether Mr S was medically fit to drive.
- For these reasons, I'm satisfied that Watford's decision not to offer Mr S a courtesy car was in line with the policy terms and was reasonable.
- Based on the dashcam/mobile phone footage, I agree that further investigation of the claim was justified.
- However, that's a separate matter from how it responded to Mr S in the early stages of his claim.
- I don't think someone in hospital following an accident should necessarily be considered vulnerable. I think the ARF included several details that highlighted vulnerabilities. I think this was the first sign that Mr S might be considered a vulnerable customer. Watford's note of its 26 November call with Mr S is the first time it recorded that he should be considered a vulnerable customer.
- However, Watford's records show it knew Mr S was in hospital following a car accident. It sent him the ARF so it could investigate his claim on 5 November. Its records show Mr S originally emailed this to Watford on 6 November. He sent it again on 11 November. He emailed Watford multiple times between 7 and 18 November to follow up on his claim and ask it to recover his car.
- Watford didn't acknowledge any of this until 19 November, nine working days after he sent the ARF for the first time, and eight working days after the first email. It accepted that this was outside its five-day service standard and apologised to Mr S.
- The police impounded Mr S's car after the accident. Watford told Mr S his finance company's salvage agent recovered the car on 4 November.
- But I've reviewed the finance company's internal notes which show the car was at the police pound until at least 14 November before it recovered the car. So it's possible that Watford could have taken recovery action earlier if it had reviewed Mr S's ARF/emails more promptly.

- While I accept that Watford might not have been aware of Mr S's vulnerabilities until it reviewed the ARF – and possibly not until it discussed the claim with him – I don't think it's acceptable for it to rely on a five-day service standard as an excuse for not replying to his emails in these circumstances.
- I'm satisfied that this didn't affect the claim but, in my opinion, it clearly caused Mr S distress. I think Watford should compensate him for this.
- I agree with our investigator's original recommendation to award Mr S £200.

Responses to my provisional decisions

Ms W (Mr S's representative) was pleased that I upheld the complaint. She provided more evidence about Mr S's health and the circumstances surrounding his accident, and asked me to reconsider my award. In summary:

- Mr S feels £200 is too low for something that should have been resolved more efficiently.
- Watford didn't phone him to discuss the claim on 25 November, as agreed.
- His medical condition means last minute changes and cancellations are especially difficult for him to manage.
- She asked me to increase the award to £400 to better reflect *"both the time involved and the distress caused."*

Watford said it didn't agree with me and referred back to its previous submissions to this service. It also said that it appreciated Mr S's vulnerabilities, however it believed he *"knowingly misrepresented the facts"* about his accident.

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.

Having done so, I think the complaint should be upheld. I'll explain why. But before I do this, I think I need to be very clear about three things.

First, Mr S made two separate complaints to Watford about his claim:

1. Its initial handling of the claim.
2. Its decision to decline the claim.

My decision only considers the first complaint about Watford's initial handling of the claim, covering the courtesy car and its response to Mr S's emails following his accident. That's because Mr S referred this to us before Watford had made a decision on his claim. Watford sent him its final response to his second complaint about its decision to decline the claim on 19 May. Mr S has referred it to this service and it is being considered separately.

Second, ombudsmen decisions are published so are written in a way that prevents the customer from being identified. Ms W shared very personal information about Mr S and his health with us. I'm grateful to her for this because it helps me better understand the circumstances of Mr S's accident. If I'm vague about this, it's to keep Mr S from being identified, not because I've ignored this or think it irrelevant.

Third, I'm incredibly sorry to hear about Mr S's illness and I have great sympathy for him. I'm aware of his background, his medical history, and how this affects him, both in respect of the

October 2024 accident and more widely. But I have to put my sympathy to one side and focus on a very specific question: did Watford handle the early stages of his claim fairly?

On balance, I don't think it did.

I think Watford has misunderstood my second provisional decision and I suggest it re-read it. When I referred to the medical context and the circumstances of the accident, I was quoting Ms W. And, as I explained, I think those matters are best considered under his second complaint. They aren't directly relevant to how it initially handled Mr S's claim and its failure to reply to his emails. I'm also satisfied that I'd already considered its previous submissions before I issued my provisional decisions.

Ms W shared details of the accident that weren't previously disclosed to either Watford or this service. She's also explained why Mr S shouldn't be held liable for the accident. I'm satisfied that these points are more relevant to Mr S's second complaint.

I accept her points about the cancelled phone call on 25 November and how this would have affected Mr S. However, I think the bigger failing was Watford not replying to Mr S's early emails, particularly given his concerns about his car. I agree that not calling him as promised was poor, however I'm satisfied that my award already took this into account.

For the reasons above, I see no reason to change my provisional decision. I'm satisfied that under the policy terms Mr S wasn't entitled to a courtesy car and, given the circumstances, I don't think it would have been responsible for Watford to offer Mr S a courtesy car without evidence that Mr S was medically fit to drive.

However, Watford knew Mr S was in hospital following an accident, wanted to make a claim, and was due to return the ARF. I don't think it's acceptable for it to rely on a five-day service standard as an excuse for not replying to his urgent emails in these circumstances.

Putting things right

I think Watford should pay Mr S £200 to reflect the distress it caused Mr S by its failure to reply to his emails until 19 November.

My final decision

My final decision is that I uphold the complaint and order Watford Insurance Company Europe Limited to pay Mr S £200.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr S to accept or reject my decision before 6 October 2025.

Simon Begley
Ombudsman