

## **The complaint**

Mr S has complained about how West Bay Insurance Plc handled a claim on his motor insurance policy. He's unhappy about the valuation placed on his car, how the claim was recorded, how he was refused a hire car, and how long it took to have his excess returned.

West Bay are the underwriters of this policy. Much of this complaint concerns the actions of their agents. As West Bay have accepted that they are accountable for the actions of the agents, in my correspondence and outcome, any reference to West Bay includes the actions of those agents.

## **What happened**

Mr S was involved in an accident in May 2024 that he and West Bay agree wasn't his fault. He made a claim on his insurance policy and talked to a number of different parties (his broker and a Claims Management Company listed on his policy documents) before speaking directly to West Bay.

Mr S wanted use of a hire vehicle as he believes the policy entitled him one. But West Bay refused. They said since the vehicle was a total loss, he wasn't entitled to one under the policy terms.

West Bay had an engineer review photographs of the damage, and decided it was a 'total loss' so opted to pay Mr S what they thought his car was worth. They said they only found two comparable vehicles advertised for sale at the time. Based on these adverts, they provided what they considered a market value settlement of £1,200.

Mr S disagreed with the value and raised a complaint. He felt his car was worth more than £2,000 and said he found adverts that showed this. He also complained about not being provided with a hire car, how West Bay recorded the claim, how the No Claims Bonus was applied and recorded as, and how they handled the claim more generally.

West Bay didn't uphold Mr S's first complaint but sent a cheque for what they thought the car was worth. I understand Mr S hasn't cashed this cheque.

In the meantime, Mr S told West Bay that he would be overseas until late December 2024 and would deal with the claim on his return.

West Bay continued to progress Mr S's claim. Because the third party wasn't responding to them, West Bay involved solicitors in November 2025 to pursue the third party to recover costs. The first legal file was closed by the solicitors after learning that the third party shared the same claim administrator. But after writing several more times to the third party and not being able progress the claim, West Bay involved a second set of solicitors in March 2025. The third party insurer responded in late March 2025, and West Bay were able to recover the claim costs and refund Mr S's excess in early May 2025.

Mr S still wasn't happy about the valuation and car hire – and complained about how long it was taking to receive his excess and about sending him a letter while he was out of the country.

West Bay said they wouldn't normally chase the excess and, in most cases, they'd have to wait for the third-party insurer to reimburse them for their outlay – which would include the settlement of Mr S's car and his excess – and they'd return the excess when this was paid to them by the third party insurer. They apologised for sending communication by letter while he was out of the country and paid some compensation for this.

Mr S didn't accept West Bay's responses and wanted our Service to intervene.

He told us:

- Nowhere in the policy does it say that a policyholder's not entitled to a hire car if their car is a total loss. And that it says he's entitled to a hire car until the completion of the claim.
- West Bay said they'll give him the equivalent of full market retail price, but they told him they were relying on ads for the wrong type of car and he's found the exact same car with more mileage for nearly £3,000 – and others that are more than this.
- He received a 'proof of no claims bonus' letter which states the claim status was recorded as 'fault'. And it looked like he had two accidents on the same day when there was only one.
- West Bay have now recorded the claim as non-fault but he's already been affected by how it was previously recorded and is concerned about the rise of insurance when applying for new policies.

And told us he wants:

- A fair value for his car.
- Reimbursement for the cars he's had to hire.
- His no claims rectified.
- Compensation for the upset West Bay caused, especially since he had to deal with things while he was away.

He said he's since been reimbursed his excess but is unhappy for how long it took to do so.

An Investigator looked into what happened but didn't uphold Mr S's complaint. He said West Bay have shown that the valuation was fair, the terms of the policy say Mr S is only entitled to a hire car if his car was being repaired, West Bay made reasonable efforts to pursue the claim, the claim was always marked as 'No Claims Discount allowed' so his no claims bonus was never affected, and the compensation West Bay offered was reasonable for any administrative errors that caused Mr S inconvenience.

Mr S didn't agree, so the complaint has been passed to me to make a 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.

This is an informal service, so I'm not going to respond to every point or piece of evidence Mr S and West Bay have provided. I've focused on what I consider to be key or central to the issue. But I would like to reassure both parties that I have considered everything they

submitted.

### Valuation

Mr S's policy covers his car against damage. And says that if Mr S's car cannot be economically repaired, West Bay will deal with the damage on a total loss basis. West Bay's engineers have shown that Mr S's car would have cost more to repair than the total value of his vehicle, so I'm satisfied it's fair for them to determine the car was a total loss.

It's not our Service's role to value a vehicle but to look at whether we think an insurer has valued it fairly. To do that, we consider the available evidence to assess whether an insurer acted in line with the policy terms and paid a fair market value for their policyholder's vehicle.

The policy requires West Bay to make a settlement payment based on the market value of Mr S's car at the time of loss or damage, taking into account its make, model, age, mileage and condition of the car prior to the incident.

It also says in assessing the market value of a vehicle, reference will be made to insurance industry recognised guides of vehicle values as well as searching for available vehicles being offered for sale to the general public.

In the first instance, we would expect an insurer to look at what certain valuation guides show. In this case, West Bay said that due to the age of the car, they were unable to utilise the guides to value the car when it was confirmed a total loss. Our Service also checked and confirmed Mr S's car is too old for the guides to show any valuation.

In cases like this, we consider additional evidence the parties have submitted including any engineer's reports, expert opinions, and adverts that the parties have submitted. West Bay said they had to use market examples to establish a pre-incident valuation. I looked at the adverts West Bay based this on, as well as the ones Mr S sent us – and compared them to his car.

Mr S's car was a five-speed, hatchback, manual version, manufactured in 2000 and had around 92,000 miles on the odometer when the incident happened. All the adverts I've seen have been for the same make and model as Mr S's car, other than one of West Bay's adverts they submitted later, which is a sports model.

Mr S submitted two adverts. The first was for a car from the same year but with different specifications and around half the mileage for around £3,000. The mileage on this advert is that is so significantly different that I don't find it persuasive – and I wouldn't expect West Bay to take it into account when assessing a fair market value.

The second was a special edition version of the car with around the same amount of mileage as his for around £2,300. But the advert was of poor quality, and I couldn't see many details, so I don't find this advert persuasive either.

He also said he saw adverts for around eight cars altogether that ranged from about £2,500 to £4,000. We haven't been provided these other adverts, so I can't put much weight on them in my consideration, as I haven't seen them.

One of West Bay's adverts showed a 1998 version of the same make and model as Mr S's car for just under £1,300 with around 109,000 miles on the odometer. The other was a 2001 model for £1,000 with around 100,000 miles on the odometer.

So, the first advert shows a car that's one year older than Mr S's and with around 17,000 fewer miles but was selling for £100 more than his car. This advert on its own wouldn't persuade me that the amount West Bay considers the market value is fair. But the second advert is for a car that's a year newer than Mr S's with only around 8,000 fewer miles and is priced at £200 less.

West Bay did send us two other adverts: a 2006 model for £950 which didn't show the mileage and a 2003 model with higher specification and around 89,000 miles for £1,275. These were looked at by West Bay in late June 2025, which is more than a month after the accident happened. They aren't as persuasive as adverts which show what similar cars are selling for at the time of loss, but it is reasonable for West Bay to try to get more examples in case their previous market value wasn't fair.

Considering the four adverts I've seen together, they satisfy me that the West Bay's valuation was fair and reasonably meets the policy requirement to make a settlement payment based on a fair market value.

I appreciate why Mr S believes his car is worth more, but Mr S himself hasn't provided much in way of persuasive evidence that a higher valuation would be fair or needed to fulfil the terms of the policy. And based on the limited adverts available to them, I think West Bay have made a settlement payment based on the market value of Mr S's car at the time of damage, taking into account its make, model, age, mileage and condition.

#### Car hire

Mr S's policy says that if his car cannot be economically repaired, West Bay will deal with the damage on a total loss basis. And in these circumstances, a courtesy vehicle will not be provided.

This isn't an unusual term, and I think it's fair to rely on it in the circumstances. Mr S's car was a total loss, so it's reasonable for West Bay to refuse to provide a courtesy car based on this term.

I understand why Mr S believes he's entitled to a hire car because he has provided different policy information that says, in certain situations, he is. But the document he referenced is for a legal expenses insurance and hire vehicle policy rather than his motor insurance policy – and it's underwritten by a different insurer. So, West Bay isn't obligated to meet the terms in it. If Mr S is unhappy with that insurer or the broker's actions in relation to this other policy, he could make a separate complaint to them – but I can't comment on them here.

#### Settling the claim

It isn't the role of this Service to decide liability – that's a matter for the courts. We look to see that insurers have acted in a fair and reasonable way. The policy, like most motor insurance policies, says West Bay are entitled to handle, defend and settle any claim.

West Bay and Mr S agree that he wasn't at fault for the accident, so I don't need to comment on whether they were fair in deciding this or what they've ultimately recorded the claim as. But Mr S has complained about how the claim was recorded while West Bay was handling the claim – and that they took too long to do so.

If West Bay had logged the claim as 'fault' while they were waiting to recover their losses, I wouldn't necessarily find this unfair. Recording what happened as a 'fault claim' doesn't mean that Mr S would have been in any way to blame for the accident, it just means the costs hadn't been recovered at that point from whichever third party was to blame. It

sometimes takes a long time to recover costs from a third party, and this can affect a policyholder's premiums in the meantime if they try to take out new insurance.

But that doesn't seem to be what happened here – West Bay have said they only logged one claim against Mr S on the Claims Underwriting Exchange database (CUE). And that they recorded the claim as non-fault from the beginning. I've seen what they submitted for CUE, and I'm satisfied they've logged it fairly as a single, settled non-fault claim.

I appreciate that Mr S has been finding it difficult to get reasonably priced insurance for the car he's purchased recently. But I'm not holding West Bay responsible for that because I'm satisfied they've acted fairly. Insurers often take into account all claims that someone has made when assessing risk, not just fault claims. Mr S may want to speak to the brokers or insurer that gave him quotes to understand why they've priced policies in the way they have.

### Excess and delays

Like most motor insurance policies, Mr S's sets out that if his schedule shows he has an excess, he'll need to pay the first part of any claim. Mr S's policy schedule says his excess is £150 for a damage claim.

It's industry practice that if an insurer can recover costs from the other party, they'll also likely be able to return any excess to the policyholder. But this would only happen once the costs are fully recovered.

I can see the third party insurer wasn't responding to West Bay, so they needed to threaten court action before costs could be recovered. It's not unusual for it to take quite some time for an insurer to recover their costs, and I don't think it's unfair for West Bay to wait until they did before returning the excess to Mr S.

Mr S may have been able to have his excess returned earlier through his Basic Legal and Hire Vehicle insurance. But, again, this was underwritten by a separate insurer. And West Bay's only obligations here were to set out what Mr S needed to do to claim under that insurance – which I can see they did.

Looking at what happened during the claim, there were periods where West Bay could have been more proactive. I can see there were also other delays that weren't West Bay's fault – including times the third party insurers didn't respond, and West Bay needed to chase them.

But I don't think there was any significant loss to Mr S because of these delays. He was away for long periods himself and wanted the claim to be paused until he returned. And when West Bay did send him what they considered a fair value for his vehicle, he refused to cash the cheque. So, although it will have been frustrating at times for West Bay to cause some unnecessary delays to the claim, I don't think it warrants compensation.

West Bay has apologised for sending Mr S post when he had let them know he would be overseas until later that year. Again, I haven't seen that it affected the claim itself nor caused any other loss, so I'm not directing them to take any other action for this.

I've looked at the two 'proof of no claims' letters that Mr S received from his broker in August 2024 and May 2025. They both say he has nine years of 'No Claims Bonus' and list no fault claims. The main difference I can see is the additional line for a claim on the same day in May 2024 – and the second listed claim has the words 'No Claim Made' under the 'Claim Status' column. I don't know why this second claim is listed, but, as I've mentioned, I'm satisfied that West Bay recorded Mr S's claim fairly. So, I'm not directing them to take any action because of this. Mr S may want to ask his broker about the error.

**My final decision**

For the reasons above, I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr S to accept or reject my decision before 14 November 2025.

Andrew Wakatsuki-Robinson  
**Ombudsman**