

The complaint

Miss W complains One Insurance Limited (One Insurance) has said it will be settling a claim for damage to a third-party's wall under her motor insurance policy.

What happened

The circumstances of this complaint will be well known to both parties and so I've summarised events.

In July 2024 Miss W reported a claim under her motor insurance policy after she accidentally collided with a third-party's wall. She explained there was no damage to the third-party's wall and she wasn't looking to claim for the damage to her vehicle. She provided details of the third-party and One Insurance contacted them to see if they were looking to claim for damages.

Miss W later raised a complaint with One Insurance as she was unhappy it was looking to settle the third-party's claim when she said she hadn't caused any damage.

On 9 January 2025 One Insurance issued Miss W with a final response to her complaint. It said as it had been confirmed Miss W had reversed into the wall and the third-party had evidenced the wall had been damaged it wouldn't be able to dispute these costs. Miss W didn't think this was reasonable and so referred her complaint to this Service.

Our investigator looked into things. He said he didn't think One Insurance had carried out a reasonable investigation into the circumstances of the accident and so it needed to do this now. He said it should re-assess the claim to ensure there is a consistency with the damage to the wall and the damage caused to Miss W's vehicle. He also said it should pay Miss W £150 compensation for the distress and inconvenience she had been caused.

Miss W accepted our investigator's view, but One Insurance disagreed with it. It said the claim was still being investigated but it was highly likely it would have to settle the third-party's costs. It said it didn't think the evidence Miss W could now provide would evidence no damage was caused to the wall.

As One Insurance didn't agree with our investigator, the complaint has been passed to me to decide.

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 want to acknowledge I've summarised Miss W's complaint in less detail than she's presented it. I've not commented on every point she has raised. Instead, I've focussed on what I consider to be the key points I need to think about. I mean no discourtesy by this, but it simply reflects the informal nature of this Service. I assure Miss W and One Insurance I've read and considered everything that's been provided.

The terms of Miss W's policy explain that One Insurance will handle, defend and settle any claim subject to the terms of the policy. So, it is entitled to settle Miss W's claim on what it believes to be the best terms, and it has the final say in how it settles a claim. However, it needs to exercise this right fairly, taking into account everything both parties have said.

Based on the evidence provided, it doesn't appear One Insurance has yet paid a claim for any damage to any third-party property as investigations are ongoing. So, I can't comment on whether any settlement is reasonable, as no settlement has yet been paid. However, what I can consider is whether One Insurance has fairly investigated the circumstances of Miss W's claim.

Miss W isn't disputing fault for the accident, what she is disputing is whether there was any damage to the third-party's wall as a result of the accident. One Insurance has said the third-party has provided photographs of the wall which show it was damaged. However, it's clear from the photographs Miss W has provided of the damage to her vehicle, and the wall she says she hit, that she is saying she hit a different wall to the one the third-party has said is damaged.

I can also see from One Insurance's claim notes that when it spoke to the third-party, it was told there had been a previous accident which had also caused damage to the wall and this hadn't yet been repaired. So, it's entirely possible the photographs of the damage provided by the third-party was pre-existing.

So, based on the circumstances of Miss W's claim, I don't think it's reasonable for One Insurance to dismiss the evidence Miss W wishes to provide, such as the photographs of the damage to her vehicle. I would expect this would be useful evidence to review whether the damage to Miss W's vehicle is consistent with the damage the third-party are claiming for. Particularly given One Insurance are aware there has been damage caused by a previous incident and the damage shown in the photographs provided by the third-party don't appear to be consistent with the damage to Miss W's vehicle.

One Insurance has said it has appointed a loss adjuster to take over the claim and ensure it is only paying for costs for damage caused by Miss W. I think this is reasonable in the circumstances. But I think One Insurance should take the evidence Miss W wishes to provide, such as the photographs of the wall she says she hit and the photographs of the damage to her car and take this into consideration prior to settling the claim. As it has instructed a loss adjuster, it should ensure this evidence is provided to the loss adjuster so they can look to take this into consideration as part of its review of the claim.

I want to be clear that I'm not telling One Insurance how it should settle Miss W's claim as this isn't the role of this Service. I'm just requiring it to take into consideration all of the available evidence before it looks to settle the claim. If once the claim has been settled Miss W is unhappy, this would need to be raised as a separate complaint.

I think the way One Insurance has handled Miss W's claim has caused her unnecessary distress and inconvenience. I don't think it has properly taken into consideration Miss W's concerns about whether she caused damage in the accident, nor given her the opportunity to provide evidence she believes supports her position. For example, I can see in a chat between Miss W and One Insurance from October 2024, Miss W said she disputes there being any damage to the wall. She tells One Insurance she has photographs of the damage to her vehicle and whether this is required. She is told it wouldn't be a deciding factor in the claim. I don't think this is reasonable, as I think it should have allowed Miss W to provide evidence to support her position, particularly given the circumstances of the claim.

Taking all of this into consideration I think One Insurance should pay Miss W £150

compensation. I think compensation of this amount fairly takes into consideration the distress Miss W was caused by the way One Insurance handled her claim, whilst also acknowledging that investigations into the claim are ongoing and she has the opportunity to provide further evidence now.

My final decision

For the reasons I've outlined above I uphold Miss W's complaint about One Insurance Limited. I require it to:

- Allow Miss W the opportunity to provide evidence she wishes to provide to support her position on the claim and take this into consideration before settling the claim.
- Pass any evidence Miss W wishes to provide to the loss adjuster it has instructed so this can be taken into consideration as part of their review into the claim.
- Pay Miss W £150 compensation.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss W to accept or reject my decision before 4 December 2025.

Andrew Clarke
Ombudsman