

complaint

Miss B complained about Advantage Insurance Company Limited. She isn't happy with the way they've handled her car insurance claim.

background

Miss B held a car insurance policy with Advantage Insurance Company Limited. In November 2015 she had a car accident and made a claim. The claim was handled by Hastings Direct.

In July 2016, Miss B made a complaint about the handling of the claim. In September 2016 Hastings Direct offered Miss B £100 to compensate her for the lack of updates and the general service she'd received. They also offered another £50 because they hadn't been able to respond to her complaint within 8 weeks. Hastings Direct said they couldn't progress the claim because the third party insurers were disputing liability. And they explained they hadn't received any response from the witnesses.

Miss B wasn't happy so she referred the complaint here. Our investigator thought Miss B's complaint should be upheld. As the third party insurers were disputing liability, he didn't think it was Hastings Direct's fault that the claim hadn't yet been settled. But he thought they could've done more to chase the witness statements and that the customer service had been poor. He recommended Miss B should receive an extra £200 and a dedicated contact so she could be kept updated with the progress of her claim.

Miss B didn't feel she could accept the investigator's view – she thought if she did she wouldn't hear from Hastings Direct again. Hastings Direct agreed to give Miss B contact details for the claims handler. But they didn't think they should give her more compensation as the current situation was outside of their control. As no agreement could be reached the complaint has been passed to me for a final decision.

my findings

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've decided to uphold this complaint. I'll explain why.

As liability for the accident is still in dispute, I can't say whether or not Hastings Direct should settle Miss B's claim. But I've looked at their overall handling of the claim and whether they've caused any delays.

From the information I've seen, I don't think Hastings Direct has handled Miss B's claim well. In its response to Miss B's complaint, Hastings Direct accepted the service Miss B had received hadn't been good. But they didn't agree that they'd delayed the progress of her claim. They say they've asked for witness statements but can't compel the witnesses to respond.

I agree that a witness can't be forced to respond. But I think Hastings Direct has a responsibility to chase the witnesses regularly. And I think it's particularly important that they do so in this case because liability is being disputed – an account from a witness to the accident could make a difference.

Miss B gave contact details for two witnesses. Having reviewed the claims notes, I don't think Hastings Direct has done enough to contact these witnesses. They first attempted to call one of the witnesses on 2 February 2016. There was no answer so they left a message. Hastings Direct didn't contact any of the witnesses again until 6 April 2016, when it wrote to the two witnesses asking for statements. I can't see that either of them have been contacted since then.

I've also seen a letter from the third party insurers to Hastings Direct dated July 2016. They say they're still disputing liability and suggest Hastings Direct try to get witness statements. Even though they received this letter, Hastings Direct don't appear to have contacted either of the witnesses again. I can't say whether the witnesses would've responded to further contact. But I do think Hastings Direct should've tried to contact the witnesses more than twice in the nine months they've been investigating this claim. If Hastings Direct had chased the witnesses more regularly, they may have received a response by now. And it's possible that the response would've been enough for them to make a decision on the claim.

Miss B's told us that this has been and continues to be a very stressful experience. Until the claim is settled, the accident is registered as a fault claim. So, she's found it too expensive to insure a car and she's had to rely on public transport to get around. It isn't Hastings Direct's fault the claim hasn't yet been settled. But I think they've contributed to delays and the service they've provided has caused Miss B stress and additional trouble and upset.

So, I think it would be fair for Hastings Direct (on behalf of Advantage Insurance Company Limited) to pay Miss B an extra £200 to put things right. They should also make sure the claim is progressed as quickly as possible and provide Miss B with meaningful and regular updates.

my final decision

For the reasons set out above, I uphold this complaint.

Advantage Insurance Company Limited should pay Miss B £200 for the trouble and upset caused. They should also make sure the claim is progressed as quickly as possible and keep Miss B updated.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss B to accept or reject my decision before 13 February 2017.

Hannah Wise
ombudsman