

complaint

Mr and Mrs S say Swinton Group Limited didn't provide all the information they needed when they wanted to make a claim on their motor insurance policy after an accident that wasn't their fault.

background

Mr and Mrs S bought the policy through Swinton. Mrs S says they were given a leaflet to keep in their vehicle that said "*Call Swinton to make a claim*" and gave a number. Mrs S called the number. She didn't know she was speaking to an advisor about credit-hire. Later on, Mrs S wasn't happy with the way the claim was handled. Swinton said it couldn't help.

Mr and Mrs S made a formal complaint to Swinton. It said they'd bought the policy three years previously. They were given the number for the accident and claims service *and* their insurer's claims-line then. So they *chose* to use the latter. Swinton said had Mr and Mrs S used their insurance policy they'd have had to pay the policy excess. Swinton also said there was nothing to show the insurer would have dealt with the claim any differently.

Our adjudicator accepted that Mrs S had no idea she wasn't dealing with Swinton or her insurer. The advisors she spoke to didn't make that clear. He said Mr and Mrs S intended to use their insurance policy. He thought they'd faced a fair amount of trouble and upset during the claims process. As Swinton had put them in that position, it should pay them £350 compensation.

Swinton didn't respond to the adjudicator's view. We have to assume it doesn't agree, so the complaint was passed to me for review.

my findings

I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint. I think it should be upheld.

I think most consumers would have done what Mrs S did immediately after an accident – used the accident and claims leaflet kept in the car. Swinton hasn't said that it explained when the policy was taken out that there were two ways of making a claim. And if it had, I think it would have been reasonable for the advisors Mrs S contacted to refer to it again.

I've listened to the calls Mrs S had with advisors after the claim. It was hard to hear what they said on answering the calls, but the last words of greeting each time were "*...on behalf of Swinton.*" In the call where Mrs S was asked whether she wanted assistance, she asked the advisor to repeat what she'd just said. The advisor simply said "Do you want to go ahead with repairs?" As would be expected, Mrs S said she did. The advisor said if she wanted to use her own repairer, she'd have to do that through another firm – "H". Mrs S agreed.

The advisor said H was used for non-fault incidents. She said in passing that if H couldn't assist for some reason, the claim would be dealt with by "the policy underwriter", but Mr and Mrs S would be kept up to date. I don't think that was enough to alert Mrs S to the fact that she'd agreed to use credit-hire rather than her insurance policy. I think the advisor should have made it much clearer that Mr and Mrs S had a choice. I think she should have used the word 'insurer' and said what the *main* benefits and drawbacks of each option were.

I think Mrs S would have queried it had the advisor even mentioned the benefit of not having to pay the policy excess through one of the options. Mrs S expected to pay it and get it back later from the other party. It wasn't a problem for her to do that. But it wasn't mentioned. And as Mr and Mrs S thought the claim was being dealt with under their insurance policy, when the third party insurer offered to deal with the claim, Mrs S declined the offer.

Mr S later signed a form headed "*Hire Agreement*". The form contained a great deal of writing, in very small print. The second part of it referred to the credit-hire arrangement, but I don't think it was unreasonable for Mr and Mrs S not to notice that. It looked to them like a normal car hire agreement form. And I don't think there's any reason to think what they were signing was explained to them at the time.

Mrs S has explained how unhappy she was with the claims handling. In particular, she and Mr S were left to deal with issues around the salvage and the V5 registration document. That was difficult, confusing and frustrating for them. And both Mr and Mrs S were in poor health or were recovering from it. I think that made the level of stress they faced as a result of not leaving the claim in the hands of their insurer much worse.

I think it's likely their insurer (or the third-party insurer) would have dealt with the claim differently and probably better. Mr and Mrs S didn't get the chance to find out. As I think Swinton's to blame for that, I agree it should pay them compensation. I think it would be fair and reasonable for it to pay a little more than the adjudicator proposed.

my final decision

My final decision is that I uphold this complaint. I require Swinton Group Ltd to pay Mr and Mrs S £450 compensation.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr and Mrs S to accept or reject my decision before 27 July 2017.

Susan Ewins
ombudsman