

complaint

Mr L complains about how Tradewise Insurance Company Limited handled his claim made on his motor insurance policy. He wants a cash in lieu payment for his repairs, and compensation.

background

Mr L was involved in two incidents in January 2018. He called Tradewise's claims line, but he wasn't aware he spoke with an agent acting for it. Mr L thought there had been delays in his claim. He thought Tradewise had wrongly held him liable for the second incident. And he thought it had incorrectly recorded his car as a total write off and this had affected his ability to claim damages following a third incident.

Our investigator didn't recommend that the complaint should be upheld. She thought Tradewise's policy documents informed Mr L that agents could deal with his claim. She thought its offer of £75 compensation for slight delays in receiving information from the agent was fair and reasonable. She thought Tradewise had reasonably decided to hold Mr L liable for the incident after considering the evidence available. And she thought Tradewise had correctly recorded Mr L's car as a write off. But the car had been a previous write off so she couldn't say that Tradewise's record had had any effect on Mr L's claim against another driver's insurer.

Mr L replied that he thought Tradewise had incorrectly recorded his car as a write off as he hadn't agreed that it wasn't financially viable for repair. He thought this had affected his later claim. Mr L asked for an ombudsman's review, so his complaint has come 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.

When Mr L called Tradewise's claims line to report his first incident, he said it wasn't made clear to him that he was dealing with its agent. Our investigator has already explained that it isn't unusual for an agent to respond to claims and this is made clear in Mr L's policy documents. But Tradewise agreed that it should have been made clear to Mr L in the call that he wasn't speaking directly to it, and it asked the agent to respond further to Mr L. I can see that Mr L was frustrated by this, but I can't see that this caused him any loss. So I don't think Tradewise needs to do anything further about this.

Tradewise agreed that there had been slight delays when the first claim was notified. It offered Mr L £75 compensation for this. I think that's fair and reasonable as it's what I'd require in similar circumstances. I haven't seen evidence of any significant delays caused by Tradewise in handling the claims.

Mr L was unhappy that Tradewise held him liable for the second incident. The investigator has already explained that it isn't our role to decide who was responsible for causing the accident. This is the role of the courts. Instead, our role in complaints of this nature is simply to investigate how the insurer made the decision to settle the claim. Did it act fairly and reasonably and in line with the terms and conditions of the policy?

Tradewise is entitled under the terms and conditions of its policy with Mr L to take over, defend, or settle a claim as it sees fit. Mr L has to follow its advice in connection with the settlement of his claim, whether he agrees with the outcome or not. This is a common term in motor insurance policies and I don't find it unusual. Insurers are entitled to take a commercial decision about whether it is reasonable to contest a third party claim or better to compromise.

I can see that Tradewise considered the accident report form, engineer's report, Mr L's dash cam footage and it requested dash cam footage from the other party, without success. It thought the evidence showed that Mr L was at fault as he entered a main road from a side road and should have looked both ways before proceeding.

Mr L thought the other driver was in error. But I think it's reasonable for Tradewise to consider how a court would decide the matter. And it thought, based on its experience, that it wouldn't be able to defend Mr L. So I think Tradewise reasonably investigated the claim and decided liability after considering the evidence available. So I can't say it's done anything wrong or require it to change its decision.

Mr L was unhappy that Tradewise recorded his car as a write off following the second incident. He'd had his car repaired privately. He said this affected his ability to claim against another insurer following a third incident.

Our investigator explained that an engineer assessed Mr L's car as uneconomical to repair following the second incident. Mr L provided his own repair estimates, but the engineer thought these were too high. And so I think the car was correctly recorded as a write off. I can't see in the policy that Mr L has to agree that the car wasn't financially viable for repair.

Tradewise later removed the total loss marker. But there was a previous total loss marker for the car. And so I can't say that the other insurer declined Mr L's claim just because Tradewise recorded the total loss. And so I don't require Tradewise to pay Mr L any compensation for this.

my final decision

My final decision is that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr L to accept or reject my decision before 9 August 2019.

Phillip Berechree
ombudsman