

complaint

Miss Z and her representative complain about the way Tesco Underwriting Limited handled a claim under her motor insurance policy.

background

Miss Z's vehicle was hit by a third party in a car park. The third party drove off but Miss Z obtained the vehicle's registration and a description of the vehicle and its driver. She contacted Tesco to make a claim and it investigated matters. It subsequently concluded that the details obtained by Miss Z were incorrect and that it could not pursue the third party.

Miss Z later contacted the Motor Insurers' Bureau ("MIB") to make a claim for her uninsured losses but it would not assist as Miss Z did not contact the police at the time of the accident.

Miss Z complains that Tesco failed to advise her of the MIB requirements and took too long to deal with the claim before deciding the details she provided were incorrect. Tesco accepted that it could have concluded the matter sooner and it waived the excess and awarded Miss Z £250 compensation for the service it provided. Miss Z remained unhappy as she said she still had a financial loss.

Our adjudicator recommended that the complaint should not be upheld. In summary he considered that:

- The details Miss Z obtained matched an insured vehicle and Tesco had to pursue matters through the correct avenues. There was nothing at that time to suggest they were incorrect or that Miss Z would have to make a claim through the MIB.
- Tesco could have been more proactive in pursuing matters and in reaching its decision that the details were not correct sooner. But it was unlikely that Tesco would have been in that position within 14 days of the accident which was the time period required by the MIB for reporting an accident to the police and which would allow a claim to be made to the MIB.
- Tesco's policy documents do not outline the MIB's requirements for making a claim to it or contacting the police and it is not required to do so. In addition neither Miss Z nor Tesco would have known at that time what the outcome of the claim would be.
- It is unfortunate if the MIB will not consider Miss Z's claim but that is not something Tesco can be held responsible for.
- Tesco could have provided a better service to Miss Z by updating her and progressing the claim but he is not convinced the claim could have been resolved in 14 days or that Tesco should have advised Miss Z to contact the police or MIB whilst its investigation was ongoing. Nevertheless Tesco has waived the excess of £150 and awarded her £250 compensation. That is fair and reasonable.

Miss Z and her representative do not agree and have asked for an ombudsman review. In summary they say that Tesco is responsible for the fact that Miss Z has lost the chance to pursue a claim to the MIB for her uninsured losses.

my findings

I have considered all the available evidence and arguments to decide what is fair and reasonable in the circumstances of this complaint.

Having done so, I agree with the conclusions reached by our adjudicator for broadly the reasons given.

I note that Tesco asked Miss Z at the outset whether the accident had been reported to the police and she said it had not been. But Tesco did not give advice about how or whether to report the accident to the police. I am satisfied that responsibility for making the decision whether or not to report the accident to the police rested with Miss Z.

Although I recognise Miss Z's frustration I am also not persuaded that Tesco was obliged to advise Miss Z about how to make a claim to the MIB or that the MIB required an accident to be reported to the police within 14 days.

Furthermore, as the adjudicator has said, in the particular circumstances of this case Tesco was entitled to investigate matters as it did and there was nothing to suggest initially (and in the first 14 days from the accident) that the details Miss Z had recorded were incorrect or that a claim to the MIB might have to be made.

As such I do not consider that I can reasonably hold Tesco responsible for the MIB declining to deal with Miss Z's uninsured loss claim.

But Tesco could have dealt with some aspects of its claim handling better. That warrants an award of compensation for the upset caused. Taking account of all the circumstances and the level of award we make I am satisfied that Tesco's waiving of the excess and payment of £250 compensation is a fair resolution of this complaint. I am not persuaded I can reasonably require Tesco to do or pay more.

Overall, I see no compelling reason to change the proposed outcome in this case.

My role as an ombudsman is to consider the individual complaint and decide whether something has gone wrong. But a court may take a different view of the situation. Should Miss Z not accept my final decision then any rights she may have to take action in the courts against Tesco are unaffected and she will be free to pursue her arguments and those of her representative in any court action that may arise, if she so wishes.

my final decision

My final decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I am required to ask Miss Z to accept or reject my decision before 6 January 2015.

Stephen Cooper
ombudsman