

## **complaint**

Mr W complains about poor handling by Zenith Insurance plc of a claim he made under his motor insurance policy, and in particular that he has had to pay substantial storage charges for his damaged car.

## **background**

In March 2015, Mr W was overtaking a third party car when the third party pulled out, forcing Mr W to take avoiding action. The two cars didn't collide, but Mr W's car hit a bank and suffered substantial damage. Mr W said the third party acknowledged fault. Because he was in shock at the time, Mr W didn't make a note of the third party's registration number or insurance details, but did get his phone number.

Mr W arranged for his car to be recovered to a garage and then phoned Zenith. Zenith said it would try to contact the third party and see if he/his insurers accepted liability. If Mr W wished to claim on his own policy in the meantime, Zenith would collect the car from the garage and consider repairs. It would claim back his excess from the third party insurer, if it accepted liability. Zenith needed confirmation from Mr W that he wanted to claim on his policy.

Mr W said he wanted Zenith to pursue the third party to accept liability. The damage wasn't his fault, and he didn't want it to go against his insurance and subsequent insurance premiums. So Zenith didn't take any action regarding the car. It tried several times to phone the third party on the number Mr W had given it, but got no response. In May it asked Mr W if he could provide any other information about the third party. It also warned him that he was responsible for any storage charges at the garage until such time as he told Zenith that he wanted to make a claim under his policy.

Mr W complained to Zenith about the way it had failed to progress matters. It didn't accept his complaint. It said he hadn't wanted Zenith to proceed with repairs until the third party had accepted liability for the accident. It had tried to contact the third party, but without success. Mr W had now contacted the third party and obtained his insurance details. Zenith was now in contact with the third party insurer, but so far it hadn't accepted liability.

Once Mr W told it in June 2015 that he wanted to claim under his policy, Zenith had processed his claim and paid out on his policy. However, it had deducted storage charges from his garage which had accrued before he told it he wanted to claim. Mr W complained to this service about Zenith's delays in dealing with the matter, and being made liable for the storage charges.

Our adjudicator didn't recommend that this complaint should be upheld. Zenith made it clear in an email to Mr W that if he said he wanted to claim on his policy it would proceed to process it quickly. However, Mr W made it clear that he held the third party responsible for the accident, and didn't want the costs to fall on his insurance. So Zenith said it would try to contact the third party and see if he accepted liability. However, the third party hadn't made any claim, and Zenith didn't have a registration number or insurance details for him. It tried to contact him on the phone number Mr W had supplied, but got no response.

The adjudicator considered that Zenith had done all it could to pursue the third party and its insurer on the issue of liability. Once Mr W was able to supply further details, it had made

contact with the third party insurer, and pursued a claim against it. But it hasn't accepted liability to Mr W.

He said it was reasonable for Zenith to suggest that Mr W make a claim against his own policy at the outset so that the damage to Mr W's car could be considered. Once Mr W agreed to this, there had not been any unreasonable delay by Zenith. From that date, the storage charges had been met by Zenith, but not the storage charges that accrued before then. The adjudicator thought that was reasonable, as Zenith offered to deal with a claim at the outset, but Mr W made it clear he didn't want a claim on his record.

Mr W responded to say, in summary, that Zenith had not explained clearly to him at the outset the process for him to pay the excess on his policy and then Zenith would deal with his car under the policy and still pursue the third party for liability. If it had done so, he wouldn't have incurred thousands of pounds in storage fees.

### **my findings**

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

Mr W, not Zenith, arranged for the recovery of his car to the garage. So he, not Zenith, was in a position to know whether storage charges would arise. I have listened to an initial phone call in which Zenith asked Mr W if the car was incurring storage charges. Mr W said he had no idea, but once the issue had been raised, I think he should have checked.

Zenith offered to take over the process, but Mr W declined this offer. I think it made it clear that it wasn't taking any action in respect of the car. It said it would try to contact the third party about liability. I'm satisfied that it did what it could on the information it had.

Mr W says the consequences weren't fully spelt out to him. The main consequence was the storage charges that accrued before he told Zenith he wanted to claim under his policy. As I have said, it was Mr W who arranged the recovery of his car to the garage, so I think he should have checked with the garage how storage charges would be dealt with.

Zenith made it clear to Mr W that it wasn't doing anything until he made a claim, and so I don't think it would be reasonable for me to require it to pay for storage charges before it became involved.

### **my final decision**

For the reasons I have set out above, I don't uphold this complaint, and make no order against Zenith Insurance plc.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr W to accept or reject my decision before 21 December 2015.

Lennox Towers  
**ombudsman**