

## **complaint**

Mr W complains that U K Insurance Limited ("UKI") dealt poorly with a claim he made under his motor insurance policy, and has offered insufficient compensation for this.

## **background**

In July 2014, Mr W's sports car was broken into, and its two front seats were stolen. After Mr W claimed on his policy:

- it took UKI five weeks to authorise the claim,
- initially the manufacturer of the car said it could supply replacement seats, but in April 2015, it acknowledged that these were no longer in production,
- UKI didn't offer any suggestions about how to proceed. Mr W found a company abroad ("R Company") which said it could supply replacement seats, and in June 2015 UKI paid R Company for these to be made,
- there were delays in the seats being made and delivered. Although UKI's agent was chasing R Company regularly, it transpired it wasn't phoning it because its employees weren't authorised to make international phone calls, and
- the seats were finally delivered and fitted in October 2015.

Mr W complained that UKI had handled his claim poorly. UKI agreed it had been slow to authorise the claim, and hadn't been pro-active when the manufacturer said it couldn't supply replacement seats. Also, its agent's failure to phone R Company was poor. Mr W wasn't entitled under his policy to a replacement car while the seats were being obtained, and he had paid £237.44 to insure another car during this period. UKI paid Mr W compensation of £350 to take account of this and its poor service.

Mr W said this was insufficient, and UKI should in addition refund the excess of £900 he had had to pay on this claim.

Our adjudicator didn't recommend that this complaint should be upheld. He said that UKI had been slow to authorise the claim initially and to suggest how to progress the claim when the manufacturer said it couldn't supply replacement seats. It hadn't dealt very well with R Company, or kept Mr W updated between May and October 2015. However it was in a difficult position with R Company. It wasn't a contracted supplier of UKI and UKI was wary of upsetting it and not getting the seats.

The service Mr W received fell short of the standards UKI sought to provide. However, the adjudicator thought the £350 it had paid was reasonable compensation in all the circumstances.

Mr W responded to say, in summary, that he didn't think UKI had taken all reasonable steps to conclude the claim quickly once R Company had been commissioned. He said UKI should have visited R Company abroad, or appointed a local agent to do so. Its failure to do this meant that the delay in delivery of the seats was allowed to drag on. He thought the compensation offered wasn't enough to compensate for the time he had spent without his car.

### **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 agree there was some delay by UKI in authorising the claim initially. However it wasn't responsible for the next delay until the manufacturer acknowledged that the seats were no longer in production. UKI could have been more proactive in suggesting the next step. It was Mr W who sourced R Company as a supplier of replacement seats, which UKI agreed to.

Its agent could have chased R Company more closely, particularly by phone. However, I don't think it is reasonable to say that UKI or its agent should have flown abroad to confront R Company. And as a UK insurance company, UKI didn't have any local agents operating in R Company's country. Also I note that UKI had to pay R Company for the seats up front, and so wasn't in a strong bargaining position.

All in all I conclude that the compensation of £350 that UKI has paid Mr W is reasonable in the circumstances.

### **my final decision**

My decision is that I don't uphold this complaint, and make no order against U K Insurance Limited.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr W to accept or reject my decision before 11 April 2016.

Lennox Towers  
**ombudsman**