

complaint

Mr W complains about how One Insurance Limited handled a claim against his motor insurance policy.

background

Mr W is the policyholder and Mrs W is the named driver. In December 2016, Mr W made a claim against his motor insurance policy in relation to an accident that Mr and Mrs W didn't think was their fault. An accident management company took over the claim.

In February 2017, Mrs W told One Insurance that the other driver had disputed liability and the accident management company had told her that the accident would be dealt with on a 50/50 split liability basis. Mrs W wasn't happy about that and One Insurance said it would investigate.

In early August 2017, One Insurance recorded the accident as a '*fault*' claim and wrote to the other driver's insurer. It became clear that agreement couldn't be reached, so in early October 2017, One Insurance instructed its solicitors. A court date was set for August 2018. Mrs W has told us that the third party settled the claim, which means this is now recorded as a '*non fault*' claim.

In response to the complaint, One Insurance offered compensation of £400. Mr and Mrs W didn't accept that, as they didn't think One Insurance had investigated their complaint thoroughly. Mr and Mrs W say that One Insurance delayed dealing with the matter and didn't communicate with them.

Our investigator said that One Insurance should pay the compensation of £400 it had already offered and an additional £350, so a total of £750. She said that One Insurance didn't give Mr and Mrs W appropriate updates and delayed in taking the claim back from the accident management company when it was clear that this was a disputed claim. The investigator said that One Insurance should have acted sooner than it did.

Mrs W said she agreed with the investigator's view but added that:

- In June 2017, she told One Insurance that she wasn't happy with the accident management's company's handling of the matter.
- One Insurance told her on 1 August 2017 that it has passed the matter to its solicitors but that wasn't the case.
- One Insurance gave its solicitors and its engineer the car registration of their previous car.

One Insurance didn't agree that compensation of £750 was fair and asked that an ombudsman considers the complaint.

This decision deals with the actions of One Insurance. Our investigator has already explained that this service can't look at the actions of the accident management company or the solicitors.

my provisional decision

I sent both parties my provisional decision in this case. I said that One Insurance's offer of compensation of £400 was fair and I explained why I'd come to that view.

I said that One Insurance isn't responsible for the actions of the accident management company, so I didn't think it was responsible for any initial delay. But One Insurance knew in February 2017 that the other driver didn't agree that he was responsible for the accident. It told Mrs W that it would investigate but I couldn't see that it did so. It wasn't until August 2017 that it began to investigate. So, there was delay of over five months.

I said that One Insurance began its investigation in August 2017. By mid-September 2017, it concluded that the other driver wasn't being co-operative and in early October 2017, it instructed its solicitors to deal with the matter. Mrs W says that One Insurance told her in August 2017 that it had passed the matter to its solicitors. One Insurance's notes don't support Mrs W's recollection about that. Based on what I'd seen, I thought that in October 2017, One Insurance told Mrs W that it had passed the matter to its solicitors. In any event, I couldn't see that One Insurance kept Mr W fully informed about what it was doing after August 2017.

I said that in response to the investigator's view, Mrs W said that One Insurance gave its solicitors and engineer the registration of their previous car, so she had to correct that. I see from One Insurance's notes that it didn't upload the new car registration properly. I accepted what Mrs W says about this and I said that it was no doubt annoying that they had to correct such basic information. But I didn't think One Insurance's error altered the outcome here.

I said that One Insurance's delay and failure to keep Mr W informed about what was going on was no doubt troubling. I said that it may have been annoying that the matter wasn't resolved and that they had to ask for information. I appreciated that this matter has taken a considerable time to resolve but I said that not all of the delay is the fault of One Insurance. This was a disputed claim that I understand settled just before the trial date. Disputed claims take longer to resolve than a straightforward claim in which the other driver immediately accepts responsibility for the accident. But I said that One Insurance caused some of the delay and could have done a better job of keeping Mr W informed.

Considering everything, I thought that One Insurance's offer of compensation of £400 was fair. In reaching that view, I took into account the nature, extent and duration of the delay caused by One Insurance and its failure to keep Mr W informed.

I said that I understood that Mr W renewed his policy whilst the claim was ongoing and the premium increased because there was an open claim. Mrs W says that now the matter is settled in their favour, she will approach One Insurance about a refund of the increased premium. Our investigator has explained that Mr W can make a separate complaint about that if they're not happy with One Insurance's response.

responses to my provisional decision

Mrs W responded on Mr W's behalf. She thinks that the insurer should take responsibility for the accident management company. Mrs W said that the claims process hasn't been easy. She reiterated that One Insurance recorded an incorrect registration number for the car.

Mrs W said that compensation of £400 would only just cover the increase in premium as a result of the claim. She said that a “*no fault*” claim was recorded on 3 October 2018 and she had a refund from the new insurer but not from One Insurance.

One Insurance didn’t respond to my provisional decision.

my findings

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

I appreciate that both Mr and Mrs W have found the matter difficult. But, for the reasons I set out in my provisional decision, I don’t think that One Insurance is responsible for all of the delay and difficulty here. I think that One Insurance delayed dealing with Mr W’s claim between February 2017 and August 2017 and didn’t keep him informed after that. I accept that it didn’t record the car’s registration number accurately but I don’t think that altered the outcome here.

Neither Mr W nor One Insurance has provided any fresh information or evidence in response to my provisional decision. I therefore find no basis to depart from my earlier conclusions. For the reasons I set out in my provisional decision, I think that the compensation of £400 it has already offered is fair.

my final decision

One Insurance Limited has already made an offer to pay compensation of £400 to settle the complaint and, for the reasons set out above and in my provisional decision, this offer is fair in all the circumstances. So, I don’t intend to uphold the complaint other than to say that One Insurance Limited should pay Mr W £400, if it hasn’t already done so.

Under the rules of the Financial Ombudsman Service, I’m required to ask Mr W to accept or reject my decision before 1 December 2018.

Louise Povey
ombudsman