

The complaint

Mrs B complains that One Insurance Limited has caused delays when handling a claim under her motor insurance policy.

What happened

In April 2023 Mrs B was involved in a car accident, so she made a claim to One Insurance under her motor insurance policy.

Mrs B contacted One Insurance again in May 2023 as she was concerned about the lack of progress on her claim, and she was still without a car. She asked if her car could be repaired by a garage of her choice. One Insurance agreed but it explained that, under the policy terms, it was for the garage to arrange a courtesy car where its recommended repairers weren't being used.

It was later agreed that Mrs B would use One Insurance's recommended repairers, but as there were no courtesy cars available, One Insurance instructed an external repair network on 13 May 2023 to arrange repairs and a courtesy car.

In June 2023 Mrs B's car still wasn't repaired and she didn't have a courtesy car. She raised a complaint, which One Insurance upheld and offered £100 compensation for the distress and inconvenience these delays had caused.

Mrs B complained again in July 2023 as her car still hadn't been repaired or a courtesy car provided. And she hadn't received the compensation. One Insurance increased the compensation to £150, but it said it had authorised the garage to repair the car and that it was Mrs B who had told the garage not to proceed until the issue of liability had been established.

Mrs B brought her complaint to our service. She provided us with a recording of part of a call between her and the garage where they said they were chasing One Insurance on her claim. She's told us she didn't ask the garage not to proceed with the repairs.

One Insurance has provided us with notes of its conversations with the garage where it was told that multiple attempts to repair the car had been made but that Mrs B had declined. It confirmed that it closed Mrs B's claim in August 2023.

Our Investigator upheld the complaint. She said there'd been a communication error by the garage. And as they're an agent of One Insurance, it needs to take responsibility for their actions. As such, she increased the compensation to £200 and directed One Insurance to reopen the claim.

Mrs B accepted this outcome, but One Insurance didn't respond. So the complaint has been passed to me for a final decision.

What I've decided – and why

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

The Financial Conduct Authority's (FCA) Insurance Conduct of Business Sourcebook (ICOBS) requires Advantage to handle claims promptly and fairly, provide information on the claims progress, and to not unreasonably reject a claim. I've kept this in mind when considering Mrs B's complaint.

It's clear that conflicting information has been given by the garage. I say this because One Insurance's records show that it approved the repairs in May 2023, and it had been told by the garage that Mrs B was refusing to proceed with the repair. But the information the garage gave Mrs B on the recording indicates the delay was with One Insurance.

This conflicting information from the garage has caused a delay in Mrs B's car being repaired. As One Insurance are responsible for the actions of its agents, it should compensate Mrs B for these delays. And I'm satisfied £200 total compensation for the delays between April 2023 and July 2023 is fair in the circumstances.

If Mrs B is unhappy with the delays post July 2023, she'll need to raise a new complaint to One Insurance and once it's issued a final response letter – or if eight weeks passes and it hasn't – she can bring the complaint to our service.

It's clear Mrs B wants her claim to be progressed so, if it hasn't already, One Insurance must reopen the claim and arrange for the car to be repaired and a courtesy car provided.

My final decision

For the reasons I've explained, I direct One Insurance Limited to:

- pay Mrs B compensation of £200 in total. If it's already paid its original offer of £150 or any part of this, it only needs to pay the remaining amount.
- reopen Mrs B's claim and arrange for the car to be repaired and a courtesy car provided.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs B to accept or reject my decision before 4 April 2024.

Sheryl Sibley
Ombudsman