

The complaint

Mr B complains that Watford Insurance Company Europe Limited didn't warn him about "Ad spoofing" before he made a claim on his motor insurance policy and didn't help him following his claim. He wants compensation for his out of pocket expenses.

What happened

Mr B had a third party, fire and theft policy with Watford. When he had an incident, he looked online for its contact details. But Mr B was led to contact another company on the search engine he used. This was an accident management company. Mr B later made contact with Watford. It explained that he had been the victim of ad spoofing, where another company pretends to be the insurer and so gains its business.

Watford said it couldn't deal with Mr B's claim for repairs due to the nature of his cover. But it advised him on how to pursue the other insurer. Watford said it should have sent Mr B a leaflet about ad spoofing when he brought this to its attention, but it didn't. And it apologised for this. But Mr B remained unhappy.

Our Investigator didn't recommend that the complaint should be upheld. She thought Watford couldn't assist with Mr B's recovery and repairs due to the limits of his cover. She thought Watford reasonably passed Mr B's allegations to the other insurer to assist him. She didn't think Watford could reasonably be held responsible for ad spoofing and Mr B could have checked its details on his policy documents. And she thought Watford had made good its mistake of not sending Mr B its leaflet.

Mr B replied asking for an Ombudsman's review, so his complaint has come 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.

I can understand that Mr B felt frustrated that he was led to contact an accident management company unrelated to Watford following his accident. And I was sorry to hear that correcting this left him out of pocket. But I can't reasonably say that Watford did anything wrong or needs to pay him any compensation. I'll now explain why I think this.

As the Investigator and Watford have already explained, ad spoofing is relatively common. It occurs where search engines throw up results for accident management companies pretending to be the insurer so that they can use their own suppliers and receive commissions.

This is a national concern and I think it's for consumers to be reasonably aware of this and to check that they are using valid contact details. This could be done by checking their policy information for how to make a claim. And I can see that Mr B's policy documents contain this information. So I can't reasonably hold Watford responsible for Mr B's mistake or his expenses.

Watford agreed that it should have provided Mr B with an information leaflet when he told it about the ad spoofing. It apologised for this and sent him the leaflet. So I think that reasonably restored Mr B's position and Watford acted in keeping with our published guidance.

Mr B's policy provided cover for third party, fire and theft only. So Watford isn't responsible for dealing with his own repairs or other costs following an accident claim. It's only responsible for the other party's costs if liability is accepted.

In Mr B's case, I can see that Watford took Mr B's notification of the incident and passed the allegations to the other driver's insurer. It also advised Mr B on how to minimise his risks in dealing with the accident management company and on other avenues he could explore to handle his claim. I think that was fair and reasonable and I don't require Watford to do anything further.

My final decision

For the reasons given above, my final decision is that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr B to accept or reject my decision before 12 February 2024.

Phillip Berechree
Ombudsman