

The complaint

Mr B has complained that Haven Insurance Company Limited recorded a fault claim against him when it didn't carry out an adequate investigation into a claim he made under his motor insurance policy.

What happened

The background to this complaint is well known to Mr B and Haven. In my decision, I'll focus mainly on giving the reasons for reaching the outcome that I have.

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.

Having done so, I agree with the conclusions reached by the investigator for these reasons:

- When Mrs B spoke with Haven's claim handler soon after the claim had been submitted she told her that there were traffic lights and traffic cameras. And that it might be possible to obtain footage of the incident giving rise to the damage to the insured vehicle. Despite this, Haven did not try to obtain the footage from the cameras or ask Mr or Mrs B to do so.
- I do not agree with Haven's suggestion that this was reasonable because Mrs B did not say specifically there may be CCTV evidence available. She said there were traffic cameras. And this should have been enough to alert Haven to the fact it needed to try and obtain the footage from these cameras or ask Mr or Mrs B to do so. Instead it did nothing about this at all.
- I have seen on Google Maps that there was a camera pointing straight at the place where the insured vehicle was parked. So, I think it is most likely that if footage from the camera had been obtained it would have enabled Haven to identify the vehicle which caused the damage to the insured vehicle. I appreciate there is no guarantee the footage would have captured the unknown vehicle's registration number. But I think it is most likely that it would have done.
- It therefore follows that I also think it is most likely that if Haven had obtained the footage it would have successfully recovered its outlay on the claim, along with Mr B's excess.
- In view of this it is not fair for Mr B to be penalised as a result of a failing on the part of Haven, by not getting his excess back and having a fault (bonus disallowed) claim against his record.
- I appreciate Haven has suggested it is not our role to determine liability. But it is my role to decide whether Haven has done anything wrong. And, if it has, to decide whether I think it prejudiced Mr B's position and to what extent.
- As I've explained, I do think Haven did something wrong in not obtaining the footage from the cameras at the location or advising Mr or Mrs B to do so. I also think this is most likely to have prejudiced Mr B's position as explained above.
- Haven's error also caused Mr B distress and inconvenience and I think he needs to be compensated for this as well.

Putting things right

For the reasons set out above, I've decided to uphold Mr B's complaint and make Haven do the following:

- Mark Mr B's claim as non-fault (bonus allowed) on its records and any external databases it has placed it on.
- Work out what the extra premium was on Mr B's policy when he renewed it as a result of having a fault claim against his record, as opposed to a non-fault claim, and refund the difference to him. As Mr B was without these funds Haven should add interest to this amount at 8% per annum simple from the date he paid his premium to the date of payment.*
- Refund Mr B's excess. I have decided not to award interest on this amount, as I cannot be sure when he would have received this back if Haven had recovered it.
- Pay Mr B £200 in compensation for distress and inconvenience. B must pay the compensation within 28 days of the date on which we tell it Mr B accepts my final decision. If it pays later than this, it must also pay interest on the compensation from the deadline date for settlement to the date of payment at 8% a year simple.

* Haven must tell Mr B if it has made a deduction for income tax. And, if it has, how much it's taken off. It must also provide a tax deduction certificate for Mr B if asked to do so. This will allow Mr B to reclaim the tax from His Majesty's Revenue & Customs (HMRC) if appropriate.

My final decision

I uphold Mr B's complaint and order Haven Insurance Company Limited to do what I've set out above in the 'Putting things right' section.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr B to accept or reject my decision before 31 July 2024.

Robert Short
Ombudsman