

## **The complaint**

Mr K complains that Haven Insurance Company Limited mishandled his claims on a taxi insurance policy.

Much of the complaint concerns acts or omissions of Haven's repairers or other agents. Insofar as I hold Haven responsible for such acts or omissions, I may refer to them as Haven's.

## **What happened**

The subject matter of the claims and the complaint is a car with a diesel engine. It had first been registered in 2016. Mr K acquired it in August 2020 (according to a later statement of fact document).

For the year from late August 2021, Mr K, through a broker, insured the car on a comprehensive taxi policy with Haven. The broker said that he had one year's no-claims discount ("NCD"). That was "protected" so that one claim in the year wouldn't reduce his NCD.

In October 2021, the car passed an MOT test with a recorded mileage of about 112,000.

Unfortunately in mid-January 2022, Mr K reported to Haven that a third party had accidentally damaged the car in the area of its nearside headlamp.

From 21 January 2022, Haven provided a courtesy car for Mr K. Haven got his car repaired. But the repair wasn't satisfactory. The repairer did rectification work.

From late February 2022, Mr K returned the courtesy car and used his car.

By an email dated mid-March 2022, Mr K complained to Haven that the repair still wasn't satisfactory.

In April 2022, the car passed an MOT test with a recorded mileage of about 128,000.

By a final response dated 16 May 2022, Haven or its repairer responded to the complaint of March 2022.

Haven arranged an inspection of the car in mid-May 2022.

In mid-July 2022, Mr K reported to Haven that another third party had accidentally damaged the car on its offside. By that time, its recorded mileage was about 140,000.

In late July 2022, Haven said it would get the further rectification work done along with the recent accident damage. From about late July 2022, Haven provided a courtesy car.

Haven sent Mr K a renewal letter saying that he had two claims and no NCD.

In late August 2022, Mr K complained to Haven about delay and mishandling his claim.

Haven arranged an inspection of the car in late September 2022, but it had a flat battery.

In October 2022, Haven or another of its repairers collected the car. By a final response dated mid-October 2022, Haven partly accepted the complaint. It said that after Mr K made his claim in mid-July 2022, it had taken just over a week to provide a courtesy car. It apologised for delay in completing rectification work and starting the further repair. At the time of the final response in October 2022, Haven was still waiting for a report before authorising further rectification of the repair.

On about 25 October 2022, Mr K contacted Haven about the car's engine warning light, key fob and speakers.

At that time, Haven or its repairers had Mr K's car for repair. They returned it to him on about 11 November 2022. Mr K bought a new battery and got a mobile mechanic to do a diagnosis.

Mr K brought his complaint to us in mid-November 2022.

In late November 2022, Mr K told us that Haven was taking the courtesy car away.

In late February 2023, Mr K sent us a detailed statement of events.

#### *our investigator's opinion*

Our investigator recommended that the complaint should be upheld in part. The investigator thought that rectification work was required on the car and there had been poor communication. The investigator recommended that Haven should compensate Mr K a total of £300.00.

#### *my provisional decision*

After considering all the evidence, I issued a provisional decision on this complaint to Mr K and to Haven on 14 June 2023. I summarise my findings:

Haven's poor-quality repair and poor communication caused Mr K inconvenience and upset over a period of more than a year. For many months in 2022, he was driving a car with a number of cosmetic defects. He felt that Haven was ignoring him and he had to chase it and its various repairers and other agents.

I considered that, to some extent, Haven made up for this by providing a courtesy car. But it didn't offer compensation before the investigator's opinion.

Subject to any further information from Mr K or from Haven, my provisional decision was to uphold this complaint in part. I intended to direct Haven Insurance Company Limited to pay Mr K £500.00 for distress and inconvenience.

Mr K disagrees with the provisional decision in part. He says, in summary, that:

- His NCD is withheld while the case is open. He's worried it won't be returned.
- Between May and July 2022, he contacted Haven about rectification work, but it didn't respond.
- Shortly after the second accident, he contacted Haven about the engine warning light

many times – and sent it photos.

- From 14 to 26 July 2022, Haven didn't provide a replacement car and he was unable to work so he lost earnings. He handed over all documents and bank statements to Haven and it agreed to pay him for this period. Haven later increased its deduction for his fuel costs. He has sent us statements for July and August 2022.
- The battery ran out because the repair garage advised him not to run the engine with the warning light on. He has sent us a copy of an invoice dated early November 2022 for a new battery.
- Haven does not want to reimburse him for the costs he incurred in this case, including for the translator who helped him write this complaint, and car rental after November 11, 2022.
- The policy documents said the value of the car is about £14,000.00. Haven offered him about £9,500.00.
- Haven has not paid him any money yet.

Haven hasn't responded to the provisional 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 scope of this decision

The Financial Ombudsman Service is bound by the Financial Conduct Authority's dispute resolution rules. One of those rules means that – before we can investigate a consumer's complaint – the consumer must first have made that complaint to the business and waited for up to eight weeks for a final response.

It follows that we usually investigate complaints that the consumer made to the business before the final response. Later complaints usually have to be dealt with separately.

As I've said, Mr K made a complaint to Haven in late August 2022 (to which Haven sent its final response in mid-October 2022). I find that his complaint at that stage didn't include complaint points raised later by Mr K as follows:

- That Haven was treating both accidents as affecting his NCD.
- That Haven or its repairer moved his car to another repairer in October 2022 without his knowledge.
- That Haven or its repairer returned the car in November 2022 without a battery, with burnt parts under the bonnet and with a mileage recording of one mile less than before.
- That Haven returned the car in November 2022 without having repaired the engine (or its warning light), or the speakers or the key fob.
- That Haven offered him less than the value of the car.

So I consider that Mr K may make those complaints to Haven and wait for a final response before we can deal separately with them.

#### The first claim

I find that Haven was responsible for poor communication with Mr K.

As I've said, after the first repair, Haven did rectification work. But the repair was still not of a satisfactory standard, according to the inspection evidence.

Nevertheless, Mr K had the use of a courtesy car until he got his car back in late February 2022. From what I've seen, the remaining defects were cosmetic. They didn't prevent Mr K from using the car.

Mr K hasn't fully explained why he didn't do more to chase up further rectification work between mid-May 2022 and mid-July 2022 when he reported the second accident.

#### The second claim

I find that Haven was responsible for poor communication with Mr K.

Haven again provided a courtesy car (see also "Loss of earnings" below).

Mr K's car sat on his drive. In late August 2022, he found that its battery had gone flat. I can see why he blames that on delay by Haven. But I consider that he could've prevented it by running the engine from time to time or otherwise charging the battery. So I don't find it fair and reasonable to direct Haven to compensate Mr K for the consequences of the flat battery, including the cost of a replacement.

From late August 2022, Mr K didn't renew the policy. He made a SORN to DVLA for his car.

I consider that Haven was responsible for delay in inspecting Mr K's car and collecting it for repair.

I keep in mind the scope of this decision (see above). So I don't intend to make any findings about events or complaints after the final response.

#### Loss of earnings

Mr K's statement in late February 2023 referred to the July 2022 courtesy car as follows:

*"In the meantime I used a courtesy car. There was a delay with that as well, as I kept asking about t courtesy car and finally I got it 10 days later – which meant I had no means to work in that period, and my boss kept asking me if I was ready to return to work. I eventually lost assignments from that employer and I only received jobs sporadically (when previously I had been one of the main drivers)."*

Overall, I consider that Haven provided a courtesy car for at least as long as was fair and reasonable. I don't accept Mr K's later statements that Haven had caused him to lose his job. For that reason, I don't find it fair and reasonable to direct Haven to pay compensation for loss of use of a car or for loss of earnings.

In any event, Mr K still hasn't provided us with enough detail of his earnings to show that Haven caused him a loss of earnings.

#### Mr K's response to the provisional decision

Mr K has said that he contacted Haven many times between May and mid-July 2022 when he reported the second accident. But he hasn't given any details of how and when he made

contact. And I've found that Mr K hasn't fully explained why he didn't do more to chase up further rectification work.

As I've said above, I consider that Haven provided a courtesy car for at least as long as was fair and reasonable. For that reason, I don't find it fair and reasonable to direct Haven to pay compensation for loss of use of a car or loss of earnings. In any event, Mr K still hasn't provided us with enough detail of his earnings to show that Haven caused him a loss of earnings.

I accept that Mr K is worried about his NCD. But in August 2022, he hadn't complained about Haven's handling of that issue. That's why I've said above that Mr K may make that and other complaints to Haven and wait for a final response before we can deal separately with them.

I accept that Mr K had let Haven know about the warning light. I accept that in November 2022, Mr K got a mobile mechanic to do a diagnosis that included "burnt installation". But in August 2022, Mr K hadn't complained about Haven's handling of that issue. That's why I've said above that he may make that and other complaints to Haven and wait for a final response before we can deal separately with them.

I accept that Mr K paid for a new battery in November 2022. But in August 2022, he hadn't complained about Haven's handling of that issue. That's why I've said above that Mr K may make that and other complaints to Haven and wait for a final response before we can deal separately with them.

Mr K has sent us a copy of a translator's invoice for about £300.00 in relation to services in late 2022 and early 2023. The Financial Ombudsman Service is able to translate complaints free of charge. So I don't find it fair and reasonable to direct Haven to reimburse Mr K's costs of a translator.

As I'm not dealing at this stage with a complaint about the condition in which Haven returned the car in November 2022, I can't deal with Mr K's complaint about the consequences of that, including cost of hiring a car. Mr K has sent us invoices for car hire in late January and early February 2023.

Mr K hasn't said when Haven offered him about £9,500.00 for the car. But in August 2022, he hadn't complained to Haven about that issue. So it's another complaint which Mr K may make to Haven and wait for a final response before we can deal separately with that and other complaints.

### **Putting things right**

I've thought about directing Haven to do further work to rectify the first repair. But that would be a cosmetic repair of a car which has an engine problem with an unknown cost of repair as far as I know. So I don't find it fair and reasonable to direct Haven to do further work at this stage.

I keep in mind the scope of this decision (see above). So I don't intend to give any directions about events or complaints after the final response, including the condition of the car since November 2022.

I find it fair enough to direct Haven to pay Mr K compensation for distress and inconvenience.

The Financial Ombudsman Service deals with each complaint on its merits. We have a

published approach to compensation for distress and inconvenience. I don't find it helpful to do a detailed comparison of Mr K's case with examples he has found on our website.

I keep in mind the scope of this decision (see above).

Haven's poor-quality repair and poor communication caused Mr K inconvenience and upset over a period of more than a year. For many months in 2022, he was driving a car with a number of cosmetic defects. He felt that Haven was ignoring him and he had to chase it and its various repairers and other agents.

I consider that, to some extent, Haven made up for this by providing a courtesy car. But it didn't offer compensation before the investigator's opinion.

Weighing all this up, I find it fair and reasonable to direct Haven to pay Mr K £500.00 for distress and inconvenience.

### **My final decision**

For the reasons I've explained, my final decision is that I uphold this complaint in part. I direct Haven Insurance Company Limited to pay Mr K £500.00 for distress and inconvenience.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr K to accept or reject my decision before 28 July 2023.

Christopher Gilbert  
**Ombudsman**