

The complaint

P has complained about the way its claim under its Private Hire insurance policy for repairs to one of its cars was handled by Haven Insurance Company Limited and its agents.

P is represented by Mr A, who is a director.

Although Mr A dealt with Haven's repair agent on occasions, I've mainly referred to Haven in this decision for the sake of ease.

What happened

One of P's cars was damaged in an accident on 15 January 2023. P made a claim under its policy and Mr A said it wanted to use its own repairer, who I'll refer to as PR, to carry out the repairs to the car. Haven arranged for an assessor, who I'll refer to as N, to inspect the car and provide an estimated repair cost. N did this on 23 January 2023 and provided its report to Haven. The report mentioned the car had been vinyl wrapped. N also authorised the repairs. And P had purchased many of the parts needed for the repair. But when N asked PR for details of their equipment for dealing with ADAS it decided it didn't want to do the repairs. Mr A told Haven this and Haven appointed a repairer to carry out the repairs, who I'll refer to as M.

It seems Mr A sent the images M needed to draw up an estimate straight away, but for some reason M didn't think it had all the images it needed. As a result of this there was a delay on M's part in drawing up an estimate and it wasn't sent to Haven until 13 or 14 February 2023. It seems M had forgotten to ask for the VIN number of P's car and Haven had to ask Mr A to provide this, which he did. It seems M then rejected the repair as it didn't have any room on site. But it eventually agreed to take the car when Haven agreed to transport it to them. The car went to M and it told Haven it was vinyl wrapped and asked whether repairing or replacing this was covered by P's policy. Haven's underwriters said the vinyl wrap would not be covered and Haven told M this on or around 8 March 2023. There then appears to have been a delay with the parts needed to repair P's car and M didn't start the repairs until 19 April 2023. Mr A has told us he had his car back fully repaired on 10 May 2023. But P had to pay £660 towards the repairs for the vinyl wrap.

Mr A complained to Haven on behalf of P about the delays with the repairs, its refusal to pay for the vinyl wrap and the problems he had communicating with it on the claim. Haven issued two final responses. One in which it said it would pay £100 for some handling errors by its repair agent and one in which it said it didn't think its claims handlers had done anything wrong.

Mr A asked us to consider P's complaint. He set out his concerns and said he'd lost out financially as a result of Haven's failings. This was in respect of the parts he'd had to return, the rental income he'd lost on the damaged car, the cost of repairing or replacing the vinyl wrap and the cost of re-licensing the car. He also mentioned he'd lost his policy excess, although this was to do with what he thought were errors in Haven's handling of the claim against the third party involved in the accident in which P's car was damaged.

Our investigator said P's complaint should be upheld. She said Haven had unnecessarily delayed the repairs to P's car from 15 February to 19 April 2023 and that it should pay him £20 per day compensation for loss of use of the car in this period. But she didn't think Haven needed to pay anything for the other losses Mr A had mentioned or further compensation. She also explained that Mr A hadn't actually made a complaint on P's behalf about the handling of the third party claim. And that he would need to raise this with Haven and give it a chance to respond before we could consider this aspect.

Mr A didn't agree with the investigator's view and asked for an ombudsman's decision. He still felt M should have completed the repairs in time to avoid the need for P's car to be re-licensed. He also said he still felt he should get back the cost of returning the parts. And he was unhappy about the fact Haven didn't have to pay more compensation meant it had effectively paid no compensation at all, as the £100 P got was from its repair agent.

Haven didn't respond to the investigator's view at all.

I issued a provisional decision on 6 December 2023 in which I set out what I'd provisionally decided and why as follows:

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

I've noted Mr A's testimony about why PR wouldn't carry out the repairs to P's car. This was because N asked them questions about what equipment it had for carrying out repairs to vehicles with ADAS equipment. I consider this was an unnecessary question in light of the fact P's car didn't have any such equipment. And I accept it put PR off doing the repairs. This means the only reason it wouldn't do them and use the parts P had purchased was an unnecessary question by N, who were Haven's agent. And this means P's position was prejudiced because instead of the repairs to its car being carried out within three or four weeks of the accident, it wasn't actually repaired until 6 May 2023. I estimate that if N hadn't asked this unnecessary question the repairs would have been completed by 14 February 2023. This means P would have had its car back on 15 February 2023 and been able to rent it out for use from this date. And it would not have had to pay £240 to re-licence it. So, I think it is fair and reasonable for P to be reimbursed the re-licensing fee of £240. Haven should also pay interest on this amount to compensate P for being without it.

I also consider it should get the rental income it lost on the car between 15 February and 6 May 2023 back. I'm satisfied with Mr A's testimony that this was £200 per week. That's 11 full weeks and it means Haven will need to pay P £2,200 for loss of rental income. I think Haven should also pay interest on this amount at 8% per annum simple from each week the £200 would have been due starting the week commencing 18 February 2023 and finishing the week commencing 29 April 2023. This is to compensate it for being without these funds. If PR had carried out the repairs as it should have done, P wouldn't have lost out on returning the parts. So, I also consider it to be fair and reasonable for P to be reimbursed the £79.78 it lost because of this. Haven should also pay interest on this amount to compensate P for being without it.

I do not consider Haven was entitled to deduct anything from P's claim for the vinyl wrap. I say this because I can't see anything in its policy that states it was entitled to do so. The policy says it will pay the cost of repairing P's car and this is what it should pay. Mr A has said he had to pay £660 in respect of the vinyl wrap, which I have no reason to doubt. So, I think Haven should reimburse this, plus interest.

I've noted what Mr A has said about compensation for the poor service provided by Haven, which I agree was very poor indeed. However, I cannot award compensation for distress to

P as a limited company. And – in terms of inconvenience – I am satisfied that the £100 it has received, plus the £2,200 lost rental income for not having its car when it should have done is enough. For me it is irrelevant whether the £100 was paid by Haven or its repair agent, as Haven is fully responsible for everything that happened.

I can't comment on the issues with the third party claim until Mr A has complained about this on P's behalf and Haven has had the chance to respond to the complaint.

I gave both parties until 20 December 2023 to provide further comments and evidence in response to my provisional decision.

Haven hasn't responded.

Mr A has responded on behalf of P and made the following further comments:

1. The only reason he dealt with Haven's repair agent was because Haven's staff requested he did so.
2. P actually received the vehicle back from the repairers on 10 May 2023, not 6 May 2023, and P had to pay a £500 excess before it would release the vehicle.
3. P immediately contacted the vinyl wrap company, as the vehicle had to be wrapped before it could be presented for re-licensing. The earliest the vinyl wrap company could do it was 16 May 2023 and it was completed that day.
4. After it had been wrapped P contacted the licensing agency to arrange for it to be inspected. The earliest date available was 6 June 2023. It passed the inspection first time on this day and the first day P hired it out was 7 June 2023.
5. The cost of the vinyl wrapping was £660, not £600.
6. P did raise within its initial complaint the issue of its losses due to Haven's mishandling of the third party's claim and its failure to obtain dashcam footage.
7. P's losses are greater than indicated in my provisional decision, but P accept my calculations are based on estimated dates.

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've noted Mr A's further comments and my responses are below.

1. I appreciate P only dealt with Haven's approved repairer at the suggestion of Haven's staff. But this isn't material, as I've concluded that if Haven had handled matters as it should have done P's vehicle would have been repaired by its chosen repairer.
2. I've noted the information Mr A has provided on the date P's vehicle was available to hire in points 2,3 and 4 above. However, this doesn't alter my view on what P should receive for loss of income. This is because if it took this period to get the vehicle ready after Haven's repairer had completed its repair, it would most likely have taken the same period if P's chosen repairer had done it. This means that P wouldn't have had it back to hire out on 15 February 2023, and would instead have had it back around four weeks later. So, it remains my view that £2,200 is the right amount of compensation for loss of income to P.
3. I said in my provisional decision that the vinyl wrap cost £660 and provisionally awarded this amount to P.
4. I can see P raised the issue of its losses due to Haven's mishandling of the third party's

claim when it submitted its complaint to us in May 2023. But I have not seen any evidence it raised it with Haven prior to this. And Haven did not address it in its final response letters. In view of this, if P wants to complain about it, it will have to raise a new complaint with Haven.

As Haven hasn't responded to my provisional decision and having taken into account what Mr A has said, I see no reason to alter my view on the fair and reasonable outcome to P's complaint.

Putting things right

For the reasons set out above and in my provisional decision, I've decided to uphold P's complaint about Haven Insurance Company Limited and make it pay P the following amounts:

- £2,200 for loss of rental income on its vehicle.
- £660 for the vinyl wrap, plus interest at 8% per annum simple from the date P paid this amount to the date of payment.
- £240 for the re-licensing fee, plus interest at 8% per annum simple from the date P paid this amount to the date of payment. .
- £79.78 for the cost of returning the parts, plus interest at 8% per annum simple from the date P paid this amount to the date of payment.

My final decision

I uphold P'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 P to accept or reject my decision before 18 January 2024.

Robert Short
Ombudsman