

The complaint

Mr T complains that Haven Insurance Company Limited mishandled a claim on a commercial vehicle insurance policy.

What happened

The subject matter of the claim and the complaint is a car or sports utility vehicle, first registered in the UK in 2013.

Mr T acquired the vehicle.

For the period from late February 2021, he had it insured on a taxi policy with Haven. The cover was against his liabilities to third parties.

Unfortunately, in mid-November 2021, Mr T's vehicle was damaged in an accident with a third party's vehicle. Mr T's vehicle suffered minor damage to its rear.

The third party's insurer offered to repair Mr T's vehicle and to provide a courtesy car.

But by late December 2021, Mr T had asked Haven to deal with the repair. Notwithstanding that Mr T didn't have a comprehensive policy, Haven said it would arrange repair of his vehicle.

Mr T complained to Haven about delay in starting the repair.

By a final response dated 7 October 2022, Haven turned down that complaint. It said that the repairer had been waiting for a part on back-order. Haven said that the part had been delivered but the repairer had been unsuccessful in their attempts to contact Mr T to book his vehicle in.

In mid-November 2022, Haven's repairer received Mr T's vehicle.

By a letter dated late November 2022, Haven said that, as Mr T had only third party cover, it wouldn't provide a courtesy car. Haven suggested he speak to a solicitor about loss of earnings.

On about 24 March 2023, the repairer returned the vehicle to Mr T.

On about 7 April 2023, six months had passed since the final response, without Mr T bringing his complaint to us.

Mr T further complained to Haven that it had been responsible for delays in the repair.

By a final response dated mid-April 2023, Haven said that it would pay Mr T £200.00 compensation for the distress and inconvenience caused, if he accepted that offer and provided his bank details.

Mr T brought his complaint to us in early July 2023.

our investigator's opinion

Our investigator said that we could only look into Mr T's second complaint.

Our investigator didn't recommend that the complaint should be upheld. He thought that Haven had done more than they were responsible for. He thought that Haven had said there had been an avoidable delay of some weeks – but he was satisfied that Haven's offer of £200.00 was in line with what we would expect.

my provisional decision

After considering all the evidence, I issued a provisional decision on this complaint to Mr T and to Haven on 14 February 2024. I summarise my findings:

Mr T's policy didn't cover the repair of his vehicle at all or the provision of a courtesy car. So I wouldn't find it fair and reasonable to direct Haven to compensate Mr T for any delays in the repair. And I wouldn't find it fair and reasonable to direct Haven to compensate Mr T for the consequences of delay including loss of use of a vehicle or loss of earnings from it.

Haven's final response contained an offer of £200.00 and I was minded to find it fair and reasonable to hold Haven to that offer. So I was minded to uphold this complaint in part and to direct Haven to pay Mr T £200.00 for distress and inconvenience insofar as it hasn't already paid him.

That wouldn't be a change in outcome compared to the final response. But it would be a change in outcome compared to the investigator's opinion.

Subject to any further information either from Mr T or from Haven, my provisional decision was that I upheld this complaint in part. I intended to direct Haven Insurance Company Limited to pay Mr T £200.00 for distress and inconvenience insofar as it hasn't already paid him.

Haven accepted the provisional decision.

Mr T disagreed with the provisional decision in part. He says, in summary, that:

- There was a six- month gap from the time of the accident before he made the complaint. This was because his intent was to settle amicably with Haven until things got out of control and Haven insurance suggested the financial ombudsman could be of help if he so wished.
- The other passengers involved in the accident happened to be his own family members. He and they were five in total with youngest five at the time. They incurred in and out of hospital care and expenses and trauma.
- Between November 2022 and March 2023, he made substantial financial losses because he was renting a vehicle to continue his taxi trade. He has attached some receipts as evidence.
- The damage to his car was substantial. The exhaust pipe amongst other panels was broken and he paid a fortune for the repairs. He has attached a receipt to this effect.
- He asks us to ascertain the losses that he made in order to award him fair

compensation.

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 taken into account the general law, regulation and good practice. Above all, I have to decide what's fair and reasonable.

After the final response in October 2022, Mr T allowed six months to pass without bringing his complaint to us. However, Haven sent another final response in mid-April 2023 and that contained a review of all events since November 2021. So, under the Financial Conduct Authority's rules, I consider that I can look into both of Mr T's complaints.

I accept that the repair was delayed by a widespread shortage of parts, which was outside the control of Haven and its repairers.

In any event, Mr T's vehicle wasn't undriveable as a result of the accident in November 2021 and it remained in his possession until mid-November 2022. From then, Mr T was without the vehicle until about 24 March 2023. In my view Mr T hasn't given enough detail to show that this caused him a loss of earnings.

Haven's letter in late November 2022 said that the third party hadn't at that time accepted liability.

Moreover, Mr T's policy didn't cover the repair of his vehicle at all or the provision of a courtesy car. So I wouldn't find it fair and reasonable to direct Haven to compensate Mr T for any delays in the repair. And I wouldn't find it fair and reasonable to direct Haven to compensate Mr T for the consequences of delay including loss of use of a vehicle or loss of earnings from it.

Response to the provisional decision

Mr T has sought to explain a six-month delay after the accident until Haven suggested we could help. However, my point was that this delay was followed by a final response that reviewed the first one, so the rules allow us to look at his first and second complaints.

Mr T has mentioned injury to his passengers. However, I don't consider that either his first or second complaints to Haven was about such injuries. So I can't comment on that.

Mr T has provided evidence of hire costs in two periods. The first is from April to August 2022 and the second is from December 2022 to February 2023. However, Mr T's policy didn't cover the provision of a courtesy car. So I don't find it fair to direct Haven to reimburse his hire costs or losses from his taxi business.

Mr T has provided a handwritten estimate mid-December 2021 for about £475.00 to secure a bumper and to replace parts of the exhaust system. However, Mr T's policy didn't cover the repair of his vehicle at all. So I don't find it fair to direct Haven to reimburse such repair costs.

Mr T asks for fair compensation. However, I don't find it fair to direct Haven to do any more than to honour its offer to pay him £200.00 for distress and inconvenience.

Putting things right

Haven's final response contained an offer of £200.00 and I'm minded to find it fair and reasonable to hold Haven to that offer. So I'm minded to uphold this complaint in part and to direct Haven to pay Mr T £200.00 for distress and inconvenience insofar as it hasn't already paid him.

That's not a change in outcome compared to the final response. But it is a change in outcome compared to the investigator's opinion.

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 T £200.00 for distress and inconvenience insofar as it hasn't already paid him.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr T to accept or reject my decision before 26 March 2024.

Christopher Gilbert

Ombudsman