

The complaint

Mrs T and Mr T complain about how Royal & Sun Alliance Insurance Limited (RSA) handled a claim made on their motor insurance policy. They want compensation for the trouble and upset caused. Mr T is a named driver on Mrs T's policy and represents her in this matter.

What happened

Mr T said another driver hit their parked car and damaged their fence. They made a claim to RSA. They said there were delays in finding a repairer, RSA didn't provide them with updates, the hire car wasn't suitable, and the claim made them feel ill. RSA agreed there had been delays due to problems with getting parts and it offered Mrs T £150 compensation for this. But Mr T said the hire car was costing them extra for fuel and RSA hadn't covered the cost of their damaged fence.

Our Investigator recommended that the complaint should be upheld. She thought there had been delays in finding a repairer and sourcing parts. But she thought RSA's compensation for this was fair. She thought RSA should have done more to assist Mr T with alternatives to hire, to better manage their expectations and to provide updates. She thought RSA should provide better updates as the repairs progressed. But she didn't think the policy covered the fence.

RSA agreed. But Mr T replied that he hadn't accepted £150 compensation as he didn't think that was adequate. Mr T asked for an Ombudsman's review, so the 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 Mrs T and Mr T feel stressed and frustrated by this matter. Their car and property were damaged through no fault of their own. And they have experienced delays and inconvenience during their claim. I think that any claim will cause a certain amount of upset and inconvenience. So I've considered here how RSA handled their claim and if it did so fairly and promptly.

I can see from the file that after the incident Mrs T's car was recovered to a storage facility whilst RSA located a repairer. After a month, Mr T called RSA for an update. It was a further few months before a repairer was located and parts ordered. The car was then booked in for repairs.

RSA upheld Mrs T's complaint that this took too long, and it didn't keep them updated. It agreed there had been delays in allocating a repairer and sourcing parts and in providing a suitable courtesy car. It explained that this was due to industry-wide issues. It also agreed that it hadn't updated Mrs T sufficiently in this time.

I agree that a four month wait for repairs to be made is excessive. And whilst I can see that RSA progressed the claim, I agree that it should have done more to keep Mrs T updated. I also think that RSA could have better managed Mrs T's expectations about how long the

repairs would take. I can see that its initial letter said that it could take some months. But I think that better updates from it and the repairer would have reassured Mrs T and Mr T.

From what I can see, RSA provided Mrs T with a courtesy car whilst her car was out of action. So she was kept mobile. Mr T said the courtesy car first provided wasn't suitable for Mrs T. And I can see that RSA raised this with the car provider and a smaller car was later provided. In the meantime, I think RSA could have better liaised with the hire company and Mrs T to find a suitable car or to look at alternatives.

Mr T said the courtesy car wasn't as economical to run as their own car. But I can't see that fuel costs are provided by the policy's terms and conditions. So I don't require RSA to reimburse these. But I think RSA could have reasonably looked at alternatives, such as a loss of use payment if running the car was too costly.

When a business makes a mistake, as RSA accepts it has done here, we expect it to restore the consumer's position, as far as it's able to do so. And we also consider the impact the error had on the consumer.

Our Investigator thought RSA should better update Mrs T, and RSA agreed to do this. And, after the complaint came to our service, RSA's repairer took Mrs T's car for repairs. So I can't see that it needs to do anything further to restore Mrs T's position relating to this particular complaint.

RSA offered Mrs T £150 compensation for the impact of its errors. And I'm satisfied that this is fair and reasonable as it's in keeping with our published guidance for the impact the errors had over a few months. So I don't require RSA to increase this. Mr T declined this offer. But RSA has confirmed that it is still available if Mrs T wants to accept it.

Mr T wanted RSA to repair his fence damaged by the other car. But the damage to the fence isn't covered by Mrs T's policy. Mr T said they didn't have home insurance. So RSA offered to forward estimates for the repair of the fence to the other driver's insurer. I can see that RSA has provided Mrs T with the contact details for the insurer's agent. And I think RSA has done all it needs to do about the fence. I can understand that Mr T feels this to be another burden, but I'm satisfied that RSA has acted within the policy's terms and conditions.

Mr T later raised concerns about the repairs made and RSA recorded this as a further complaint. Mr T provided us with RSA's response to this complaint, which it upheld. The garage rectified the issues and RSA offered Mrs T £50 compensation for the trouble and upset caused. RSA said that if Mrs T remained unhappy, she should raise this with us.

This is a separate complaint to her earlier complaint so I can't consider that here. I can't see that Mrs T has said that she was dissatisfied with RSA's response. But if she is, then Mrs T would have to ask us to look into this as a separate complaint within the six months following RSA's response.

My final decision

For the reasons given above, my final decision is that I require Royal & Sun Alliance Insurance Limited to pay Mrs T £150 compensation for the distress and inconvenience caused by its handling of her claim, as it has already offered to do.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr T and Mrs T to accept or reject my decision before 6 October 2023.

Phillip Berechree
Ombudsman