

The complaint

Mr S has complained that Mulsanne Insurance Company Limited failed to authorise the repairs to his car under his motor insurance policy following an accident.

What happened

Mr S was involved in an accident on 7 January 2023 which he reported. He chose to have his car repaired using his own repairers and his car damage was assessed there. That meant Mr S would have to pay an additional excess, to which he agreed.

Mr S's chosen repairers prepared an estimate of the damage to his car dated 20 February 2023. Mulsanne said it received this estimate on 9 March 2023. The repair estimate was for £8,146.70.

Mr S said despite constantly chasing Mulsanne, and its agents, he never received any authorisation for his car to be repaired. This meant his chosen repairers said they would start charging him £35 per day storage fees. And latterly said they would have to scrap his car if the matter wasn't sorted out.

Mr S also said that when he took out this policy with the brokers in April 2022, he bought cover which would provide him with a hire car, should his be undriveable in a situation like this where his car needed to be repaired following an accident. He said he was offered a much smaller car which wasn't suitable for his needs.

Mulsanne said this cover for a hire car was a separate policy and covered by a different insurer. It said in its policy, a courtesy car was only available if Mr S used its own approved repairers, not his own chosen ones. Therefore, it had no duty under its policy to provide Mr S with a courtesy car whilst his car was being repaired.

Given the delay in getting his car repaired, Mr S brought his complaint to us. The investigator thought it should be upheld and that Mulsanne should authorise the repairs as estimated by Mr S's chosen repairers and pay Mr S's chosen repairers to allow his car to be released, and indeed repaired. The investigator also recommended that the settlement should include payment for any storage costs charged. He also felt this delay had caused Mr S considerable distress and inconvenience and was of the view that Mulsanne should pay Mr S £500 compensation.

Mr S agreed. And although Mulsanne said it would agree to the investigator's view, it merely wanted Mr S's bank details instead.
Therefore, Mr S's complaint has been passed to me to decide.

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'm upholding this complaint. I'll now explain why.

Mr S's policy, underwritten by Mulsanne, clearly covers the repair of the car following an accident which is what happened. It also provides that Mr S can use his own chosen repairers provided he pays an additional excess.

The policy states the following in relation to Mr S using his own chosen repairer:

'If you choose to use an alternative repairer:

- we will not guarantee the work after you have signed a customer satisfaction note and the insured vehicle has been returned to you by the repairer; and*
- we will only pay for repairs carried out by an alternative repairer, if we have confirmed the repairs can proceed in writing to you; and*
- we will not pay more than the cost of repairs had the work been undertaken by our approved repairer. In these circumstances we may at our option settle the claim for repairs to the insured vehicle by making a cash payment for the amount quoted by our approved repairer less the excess which applies to the claim.'*

Mulsanne has confirmed it received the estimate from Mr S's chosen repairers in March 2023 but then it singularly failed to action it. As yet, we have received no explanation as to why.

Mulsanne also said it was now willing to pay for the repairs and told us it had requested Mr S's bank details. However, the policy demands that Mulsanne now authorises Mr S's chosen repairers to repair his car and then it should pay for those repairs. If Mulsanne wishes to pay Mr S directly, as it appears it is suggesting, it must get Mr S's express consent to do that. Further, given the delays, Mr S's chosen repairers have incurred storage charges and I consider it's appropriate that Mulsanne clarify those storage charges with Mr S's chosen repairers directly and ensure they are fully paid, so that there is no outstanding duty on Mr K to pay anything in relation to these costs.

Mr S said when he bought this policy through his brokers, he also bought extra cover to ensure he was provided with a hire car in situations where his car needed repairs. He complained he wasn't provided with a suitable car for his family needs. However, that element of Mr S's cover is not part of his policy with Mulsanne. In this policy, Mulsanne would only provide a small hire car for the duration of the repairs if Mr S had opted to use its approved repairers, which he didn't do. Therefore, I can't consider Mr S's complaint about this in this decision which is set up against Mulsanne only. If Mr K wishes to complain about the hire car that was offered, Mr S would need to contact the provider of that element of his cover directly.

Under this complaint Mr S would have a loss of use claim given the excessive delay by Mulsanne in authorising the repairs of his car. However, I consider that in view of the extra cover Mr S bought, that ostensibly he was entitled to a car for the duration of the repairs from the other provider, and therefore I consider Mulsanne wouldn't be responsible for this loss of use claim in these particular circumstances.

Clearly the delays and lack of contact from Mulsanne have caused Mr S some considerable distress and inconvenience, more so since he has a young family, and his car was needed for that level of normal activity. I agree with the investigator's view that Mulsanne should pay Mr S £500 compensation considering the extensive delays. This is in keeping with our general approach and mirrors other awards I have made in similar cases.

My final decision

So, for these reasons it's my final decision that I uphold this complaint.

I now require Mulsanne Insurance Company Limited to do the following:

- Authorise Mr S's chosen repairers to repair Mr S's car as per the estimate it produced.
- Following completion of the repairs, pay his chosen repairer in full.
- Ensure any storage charges raised by Mr S's chosen repairer are fully paid.
- Alternatively, and only at Mr S's election, arrange to pay Mr S direct for the repairs in accordance with his chosen repairers' estimate plus the outstanding storage charges.
- Pay Mr S £500 compensation for the distress and inconvenience it caused it.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr K to accept or reject my decision before 14 September 2023.

Rona Doyle
Ombudsman