

## **The complaint**

Mr R has complained about his car insurer Royal & Sun Alliance Insurance Limited (RSA) because it added a claim to his policy for damage to a hire car he'd been driving whilst his insured vehicle was being repaired under a lease agreement (not by/with RSA).

## **What happened**

Mr R's car is, effectively, leased to him. In November 2022 the car was at the dealership to have some investigations and/or work done. The agreement under which the car is provided to Mr R entitled him to a hire car for the period his car was at the garage. His insurance policy with RSA extended to covering a hire car made available to Mr R in such a circumstance. The garage took delivery of the hire car on 5 November 2022, signing paperwork agreeing there was no damage to the hire car.

On or around 15 November 2022 Mr R returned the hire car to the dealership and collected his car. The hire company came to collect the car the next day. Damage was noted to the car. In January 2023 RSA was notified of a claim on Mr R's policy from the hire company for the damage. RSA asked for evidence and the hire company produced paperwork and photos from the 5 November, showing no damage to the car with agreement in that respect, and paperwork from 16 November 2022, noting damage found upon collection. RSA was satisfied that sufficiently evidenced damage had occurred to the car whilst in Mr R's care, during the period the hire car was covered by its/his policy. It told Mr R it was recording a claim against his policy which it intended to accept and settle. Mr R was unhappy, and when RSA wouldn't change its view, he complained to the Financial Ombudsman Service.

Our Investigator noted the evidence RSA had gathered from the hire company regarding the car's condition when Mr R took responsibility for it and that when the hire company collected the car. He felt RSA had acted fairly and reasonably in logging, accepting and paying a claim against the policy for the damage reported, including the timescale in which it notified Mr R.

Mr R said there was no evidence of when the car was damaged, and he certainly hadn't damaged it. He felt it might have occurred after he left the car at the garage and he didn't think he was reasonably responsible for the car at that time. Our Investigator explained that Mr R's comments hadn't changed his view on the complaint and the complaint was passed for an Ombudsman's consideration.

## **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 appreciate that it is frustrating for Mr R to have a claim logged on his record. But I'm not persuaded RSA has done anything wrong.

RSA's policy covers 'alternative vehicles' supplied for Mr R's use under the lease agreement for his car. So, reasonably, if RSA is advised of damage to an 'alternative vehicle' by either Mr R or the vehicle's owner, it must respond to such a claim. Here RSA did that by gathering evidence from the hire company to satisfy itself that the car was not damaged before it was hired to Mr R, but that it was damaged when the hire company took it back into its care. I don't doubt that Mr R took care of the car, but that doesn't mean it wasn't possible for damage to be caused to it. And there is evidence of that having happened.

There are scuffs and scrapes to the paintwork on both the front and rear bumper, but also on the left rear wing. Around £700 was claimed by the hire company for repair. I can see why, given the photo evidence and the quite limited repair cost, RSA was minded to accept and settle the claim.

I understand that Mr R thinks that once he left the car at the dealership it was no longer in his care, and/or that the hire company should have collected it sooner. But until the hire company collected the car, it was in Mr R's care, so it was covered by the RSA policy. Further RSA is not responsible for the acts of the hire company – so if the hire company did delay collecting the car, allowing it to be damaged in the interim, that failure wouldn't give me reasonable cause to say RSA shouldn't have dealt with a claim on the policy for damage.

I accept that there was quite a long gap between Mr R leaving the car at the dealership and RSA notifying him of the claim against his policy (November to February). However, I can see that RSA was only notified itself of the claim at the end of January 2023, with it contacting Mr R on 11 February, within two weeks. I don't think RSA caused any delay here.

### **My final decision**

I don't uphold this complaint. I don't make any award against Royal & Sun Alliance Insurance Limited.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr R to accept or reject my decision before 16 August 2023.

Fiona Robinson  
**Ombudsman**