

The complaint

Mr R complains that China Taiping Insurance (UK) Co Ltd (China Taiping) didn't carry out an effective and lasting repair to his mobility scooter following a claim on his motor scooter insurance policy.

What happened

Mr R had a motor scooter insurance policy with China Taiping which included cover for accidental damage. The policy had a limit of £1,249.

Mr R made claims on his policy in November 2018 and again in February 2019 following accidents with his motor scooter. Repairs were carried out in respect of both claims.

In around March 2019, China Taiping called Mr R to check he was happy with the repairs. Mr R said the second set of repairs were ok but the first weren't. China Taiping said an engineer would call Mr R back to discuss his concerns. Then in May 2021, Mr R contacted China Taiping again about his unhappiness with the first set of repairs.

China Taiping sent an engineer to look at Mr R's motor scooter. The engineer said the bearings on both front wheels were worn out and there was rust on the front arms and chassis. His opinion was that the wheel bearings were broken due to wear and tear. Mr R's policy didn't cover damage caused by wear and tear, so China Taiping said it wouldn't be doing any more repairs on Mr R's motor scooter.

Unhappy with this, Mr R complained to us. The investigator who looked at Mr R's complaint didn't uphold it at first. He said because Mr R's policy didn't cover his motor scooter for damage caused by wear and tear, it was fair for China Taiping to turn down Mr R's claim based on its engineer's opinion.

Mr R disagreed with our investigator, questioning the thoroughness of the engineer's investigations and saying his motor scooter hadn't driven properly after the first set of repairs. Mr R also said China Taiping had discriminated against him.

Our investigator then asked China Taiping for a copy of all its contact history and system notes from when Mr R first claimed and for all claim notes and decisions relating to both claims. He also asked China Taiping if Mr R had raised the issue of discrimination with it.

Following China Taiping's response, our investigator changed his view and upheld Mr R's complaint. He said China Taiping hadn't given us any evidence to show what repairs were done to Mr R's motor scooter following the accident in 2018 or that it had completed an effective and lasting repair. He recommended China Taiping put Mr R back in the position he should've been in after the first accident, so that he had a driveable scooter. He also recommended that China Taiping pay Mr R £250 in compensation for not understanding his concerns when he explained he wasn't happy with how the scooter was riding. Our investigator didn't think Mr R had been discriminated against.

China Taiping disagrees with our investigator. It says it got an invoice *“to indicate completion of the job along with satisfaction from the customer.”* China Taiping says the original work came with a 12-month parts guarantee, so if Mr R had found damage consistent with the original accident he *“should not have signed the satisfaction form and could have returned it in that period to the engineer where he originally took it.”* China Taiping also says there was a delay in Mr R making a complaint about the first set of repairs.

So Mr R’s complaint has come 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’ve decided to uphold Mr R’s complaint. I’ll explain why.

Where, as in Mr R’s case, an insurer chooses to settle a claim by repairing damage, we expect it to indemnify the consumer by carrying out an effective and lasting repair. To be effective, the repair must fully put right the damage. And to be lasting, it must do so for an appropriate amount of time (which will depend on what’s being repaired).

So that’s what I’ve looked at in Mr R’s case. But the information I’ve got about his claims is very limited. I’ve seen a copy of the first claim form Mr R sent in dated 18 December 2018, in which he describes the damage to the motor scooter from the first accident. As I’ve mentioned, as part of our investigation, we also asked China Taiping to send us all the information it had about Mr R’s claims – contact history, system notes, claim notes and decisions relating to both claims.

Apart from one call recording with Mr R, China Taiping hasn’t given us much information about what happened at the time. So, apart from Mr R’s description, I don’t know what damage the motor scooter suffered in November 2018. Nor do I know what repairs were carried out following the claim. Without knowing what repairs were done, there’s no way for me to establish China Taiping carried out an effective and lasting repair on Mr R’s motor scooter which, as I’ve said, is what I’d expect China Taiping to do under Mr R’s insurance policy. It’s on this basis that I’m upholding Mr R’s complaint on this point. And it’s for this reason that I direct China Taiping to assess and repair any claim-related damage to Mr R’s motor scooter from the 2018 accident up to Mr R’s policy limit of £1,249 or, if it wishes, pay Mr R the cash equivalent of the cost of repairs.

As I’ve already mentioned, in response to our investigator’s second view on Mr R’s complaint, China Taiping says Mr R indicated he was satisfied with the repairs, could’ve claimed under the 12-month parts guarantee if he’d wanted to and has delayed in bringing his complaint. But I’ve listened to the recording of China Taiping’s phone call with Mr R shortly after the second set of the repairs were carried out on his motor scooter. Mr R is clear in the call that he’s unhappy with the first set of repairs. The call ends with the call handler telling Mr R an engineer will call him back to discuss his concerns.

We don’t have any information to show China Taiping’s engineer called Mr R back or, if an engineer did call, what the outcome of their discussions was. From the time of China Taiping’s call to Mr R in around March 2019, I have no information to show China Taiping did anything to deal with the concerns Mr R raised in that call until he raised them again in May 2021. So China Taiping’s response to our investigator’s second view doesn’t change my conclusions on this complaint.

From what Mr R says, China Taiping's handling of his claim has caused him distress and inconvenience. It's clear from the correspondence I've seen on Mr R's case file that he's suffered stress and anxiety because of China Taiping's prolonged failure to address his concerns with the first set of repairs. And he's also had the practical inconvenience of not being able to use his motor scooter for his everyday needs for a long time. In these circumstances, I think it's fair and reasonable that China Taiping should pay Mr R £250 for the distress and inconvenience it has caused him.

Mr R says China Taiping has discriminated against him given the problems he's had. While I understand Mr R thinks China Taiping has treated him unfairly in relation to his claim, having looked at the information I've got, I can't say China Taiping has discriminated against him.

In response to our investigator's second view on this complaint, Mr R has told us he suffered personal injury riding his motor scooter after the first set of repairs (which he says caused his second accident in February 2019). I think Mr R is looking to China Taiping to pay significant damages for the pain and suffering he says this caused him. While I'm very sorry Mr R was hurt, we at this service don't award damages for personal injury. These are matters best dealt with by the courts and so, if Mr R wants to take this forward, I think he'll need to look at taking court action.

My final decision

For the reasons I've given, I uphold Mr R's complaint and direct China Taiping Insurance (UK) Co Ltd to:

- Assess and repair any claim-related damage to Mr R's motor scooter from the 2018 accident up to Mr R's policy limit of £1,249 or, if it wishes, pay Mr R the cash equivalent of the cost of repairs.
- Pay Mr R £250 in compensation for the distress and inconvenience its handling of his claim has caused him. China Taiping should pay this sum within 28 days of the date we tell it Mr R has accepted my final decision. If China Taiping doesn't do this, it must pay interest at the rate of 8% per year simple on this sum from the date of my final decision to the date of payment.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr R to accept or reject my decision before 11 August 2022

Jane Gallacher
Ombudsman