

## **The complaint**

Miss B complains that Highway Insurance Company Limited mishandled her claim on a motorhome insurance policy.

Where I refer to Highway or the insurer, I refer to the above-named insurance company and I include employees and others insofar as I hold Highway responsible for their acts or omissions.

## **What happened**

The subject matter of the claim and the complaint is a motorhome, first registered in about the year 2000. For the year from April 2021, Miss B had the motorhome insured on a comprehensive policy under which Highway was the insurer responsible for dealing with claims.

Unfortunately, the motorhome suffered damage. Miss B contacted Highway on about 11 December 2021. Miss B wanted the insurer to get the motorhome repaired as soon as possible so that she could use it.

She complained to Highway that it was responsible for poor service and delay in getting repairs started.

By a final response dated early February 2022, Highway apologised for its service and said it was sending Miss B £150.00.

Miss B brought her complaint to us a few days later. She asked for £1,500.00 compensation for poor service and loss of use of the motorhome.

### *our investigator's opinion*

Our investigator didn't recommend that the complaint should be upheld. She thought that the offer of £150.00 was reasonable in relation to the delays and poor service.

### *my provisional decision*

After considering all the evidence, I issued a provisional decision on this complaint to Miss B and to Highway on 4 August 2022. I summarise my findings:

I wasn't minded to find it fair and reasonable to direct Highway to pay Miss B compensation for not being able to use her motorhome.

Highway was responsible for shortcomings in the communication with Miss B. It didn't keep her up to date. So she had to ask what was happening.

It was already a difficult situation for Miss B. I'd weighed up the extra upset and

inconvenience Highway caused her by the delays and other shortcomings for which I'd found it responsible. Highway tried to put that right by apologising and making an offer.

But I kept in mind the frustration and difficult telephone calls Miss B had between mid- December 2021 and early February 2022. Overall I concluded that £150.00 wasn't enough to be fair and reasonable compensation. I was minded to find £300.00 fair and reasonable.

Subject to any further information from Miss B or from Highway, my provisional decision was that I upheld this complaint in part. I intended to direct Highway Insurance Company Limited to pay Miss B – in addition to the £150.00 it has already paid her – a further £150.00 for distress and inconvenience.

Miss B said she had nothing to add in response to the provisional decision.

Highway hasn't responded to the provisional decision.

So I see no reason to change my view.

### **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.

The Financial Ombudsman Service is bound by the Financial Conduct Authority's dispute resolution rules. The effect of one of those rules is that a consumer must first make a complaint to the financial firm and wait for up to eight weeks for a final response before we can investigate that complaint.

It follows that we can investigate acts or omissions about which the consumer complained before the final response. In my view, we can also investigate the foreseeable consequences of such acts or omissions even if those consequences unfold after the final response.

Section Two of the policy terms dealt with damage to the vehicle. There were exceptions including the following:

***“Exceptions to Sections Two and Three***

*We shall not be liable to pay for:*

*...*

- Compensation for You not being able to use Your Vehicle, unless this is provided as an extra benefit by this policy”*

I haven't seen any evidence that the policy provided such compensation as an extra benefit.

Miss B already had a problem when she contacted Highway. That's why she contacted Highway. She needed to make a claim and that was always going to involve a level of telephone calls and other inconvenience.

Highway didn't deal properly with appointing a repairer. Despite what Miss B had said, it appointed a repairer that didn't specialise in repairing motorhomes. I accept Miss B's statement that Highway didn't recommend an alternative repairer and so appointed a repairer she found on the internet. So I hold Highway responsible for the delay of about nine days.

Highway also appointed a vehicle assessor, who inspected the motorhome on 11 January 2022. Highway wasn't as proactive as it should've been in communicating with the repairer about a detailed estimate. That caused another delay of about two weeks up to 27 January 2022, when Highway authorised the repairs.

In her complaint form dated 8 February 2022, Miss B said the following:

*"The repairs are commencing shortly and we are now advised by the repairer that as a direct result of the delays caused by the claims service it will not be ready for collection for at least a further 6 weeks. This is due to vehicle being now being further back in the 'queue' This means we will have suffered loss of enjoyment for almost 5 months."*

So the repairs hadn't started when Miss B complained to Highway or when it wrote its final response. In any event, I don't think Miss B has complained about the performance of the repairer. Rather she has complained that Highway delayed the start of work by the repairer.

In mid-June 2022 Miss B told us the following:

*"we suffered loss of use and enjoyment of our motor home for almost 6 months purely down to the delays caused by their awful service"*

However, if the period of almost six months without the motorhome was caused purely by delays, then none of those six months would've been spent on doing the repairs. On reflection, I'm sure Miss B would agree that, notwithstanding the delay in authorising the repairs, there would still have been a reasonable time to complete the repairs.

And I consider that Miss B bears the burden of showing that Highway was responsible for her loss of use of the van for more than a reasonable time. I don't consider that she has provided enough evidence of the programme of repairs to show such responsibility. In any event, I keep in mind the policy exception quoted above.

So I don't find it fair and reasonable to direct Highway to pay Miss B compensation for not being able to use her motorhome.

Highway was responsible for shortcomings in the communication with Miss B. It didn't keep her up to date. So she had to ask what was happening. I haven't found it proportionate to listen to all the call recordings. But I've noted their number and length.

It was already a difficult situation for Miss B. I've weighed up the extra upset and inconvenience Highway caused her by the delays and other shortcomings for which I've found it responsible. Highway tried to put that right by apologising and making an offer.

But I keep in mind the frustration and difficult telephone calls Miss B had between mid-December 2021 and early February 2022.

### **Putting things right**

Overall I conclude that £150.00 wasn't enough to be fair and reasonable compensation. I find £300.00 fair and reasonable.

**My final decision**

For the reasons I've explained, my final decision is that I uphold this complaint in part. I direct Highway Insurance Company Limited to pay Miss B – in addition to the £150.00 it has already paid her – a further £150.00 for distress and inconvenience.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss B to accept or reject my decision before 30 September 2022.

Christopher Gilbert

**Ombudsman**