

The complaint

Mr M complained - on behalf of the policyholder Ms C and himself - that repairs to Ms C's car following a collision weren't completed properly by the garage instructed by Watford Insurance Company Europe Limited ("Watford").

What happened

Ms C insured her car with Watford. Mr M was a named driver on the policy, so is entitled to make a complaint.

In autumn 2021, Mr M collided with a parked car at the side of the road. Ms C notified Watford and confirmed she wanted to make a claim for repairs. She confirmed she and Mr M wanted the repairs done at their own garage. Watford confirmed this was possible, but an additional excess of £200 would be payable. And Ms C would need to send Watford a quote for the work.

Ms C and Mr M later changed their minds and asked Watford to arrange for repairs through their own garage instead. Watford did this. But, after repairs had been completed, Mr M contacted Watford to let them know he wasn't happy with the quality of the work done and not all of the repairs had been completed.

Watford advised Mr M to speak directly to their garage about his concerns. He wasn't satisfied with their response and asked Watford to arrange a further inspection of the work. He subsequently told Watford he didn't want the garage working on the car again, and asked Watford for a cash settlement to enable him to have the repairs completed. At one point he also asked they write the car off.

Watford's engineers assessed photos and video evidence provided by Mr M and concluded that the damage he complained about hadn't been caused by the collision – so Watford weren't responsible for repairing it. They confirmed in their final response to a complaint Mr M made that they were satisfied all damage relating to the collision had been dealt with.

Mr M didn't accept what Watford said and brought his complaint to us. In addition to the quality of the repairs, Mr M complained that the garage had refused to let him in when he went there as he wasn't wearing a face mask because he was exempt.

Our investigator considered the complaint and concluded Watford needed to do more to resolve matters for Mr M. He reviewed the report from Watford's assessors and noted they'd identified some supplementary repairs were needed, as well as rectification to the car's nearside front wing. Watford confirmed having this work done would cost £985 plus VAT (£1,182) and they would do this.

However, Ms C had sold the car after Watford had responded to Mr M's complaint. So the investigator said Watford should pay him £1,182 in lieu, as well as interest on that amount. But he didn't think they should pay Ms C and Mr M the difference between the market value and what it had been sold for. And he said that Watford should pay Mr M £300 compensation for the distress and inconvenience the incomplete repairs, and having to go to

the garage when Covid 19 restrictions were in place, had caused.

Mr M agreed with our investigator's view. Watford haven't responded. So I've been asked to make a 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.

Having done that, I'm upholding Ms C's and Mr M's complaint. I'll explain why.

Ms C's policy provides cover for damage to her car resulting from an accident. The policy says that, if a claim is made, Watford:

"...will either:

- *Repair the damage*
- *Replace what is lost or damaged beyond economical repair*
- *Pay the cost of the loss or damage*

We can choose which of these actions We will take for any claim We accept."

So, while I appreciate Mr M did at one point ask for the car to be written off, I think it's clear it was Watford's decision which option to choose.

And it was Watford's responsibility to assess – and repair - the damage caused by the collision. I can see Mr M didn't agree that all the work was done. But I'm satisfied that Watford had the car assessed both before and after the initial repairs and concluded the car needed other work which wasn't the result of the collision. And they explained this to Mr M. So, while I understand Mr M's position, I can't say they should have repaired all the car's faults, as the policy covers only repairs resulting from the collision.

I've noted the assessment of the car made by Watford's agent noted not all work had been completed and some rectification work was required. Watford agreed to consider making a cash in lieu payment for what it would cost them to deal with this. I think that's fair.

Putting things right

I think it's fair for Watford to pay Ms C and Mr M the amount it would have cost them to repair the work identified as needed by their assessor. So they should pay them £1,182 (£985 + VAT).

And Watford should pay Ms C and Mr M simple interest on this amount, calculated at the rate of 8% per annum, from the date their assessor identified the work was needed (21 December 2021) until they pay them.

And I agree with our investigator that it's clear that the delays in addressing the inadequate work, and difficulties when he visited the garage have caused Ms C and Mr M distress and inconvenience for which he should be compensated. I think £300 is a reasonable amount for Watford to pay for this.

My final decision

For the reasons I've explained, I'm upholding Ms C's and Mr M's complaint about Watford Insurance Company Europe Limited and directing Watford to pay them:

- £1,182 in lieu of the repairs they accepted hadn't been done and needed rectification work;
- Simple interest on £1,182, calculated at the rate of 8% per annum, from 21 December 2021 until the date of settlement. If Watford considers that it's required by HM Revenue & Customs to deduct income tax from that interest, it should tell Ms C and Mr M how much it's taken off. It should also give Ms C and Mr M a tax deduction certificate if they ask for one, so they can reclaim the tax from HM Revenue & Customs if appropriate; and
- £300 compensation for the distress and inconvenience Ms C and Mr M were caused.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms C and Mr M to accept or reject my decision before 2 December 2022.

Helen Stacey
Ombudsman