

## The complaint

Mr S says when he claimed on his van insurance policy with Highway Insurance Company Limited the repairs to the van weren't acceptable. He also says the long delays in the process led to great inconvenience and upset for him and his family.

## What happened

Mr S told us the van went into a garage instructed by Highway in March 2021 and was returned to him two months later. But the repaired bumper fell off shortly afterwards on a motorway. The van was back in the garage from June 2021 to July 2021. On its return, Mr S wasn't happy with the rectification work and didn't want the van to go back to the garage.

Highway struggled to find another repairer, but Mr S found one. He says it took Highway five months to agree the new garage's estimate. The van went in for further work with the second garage in January 2022 and was returned to Mr S in April 2022.

Although Highway provided substitute vans throughout the repair process, Mr S says they weren't suitable for family purposes, as they were smaller than his own van. Highway paid him £100 compensation when he complained. He told us the second garage didn't repair the van properly and there's damage to its left-hand side. Mr S also said he and his partner spent their savings on buying the van, rather than on a deposit for a house, and that the vehicle was very important to them for family life, as well as central to their business.

One of our investigators reviewed Mr S's complaint. He thought Highway should pay Mr S £500 compensation in total, given the inconvenience caused by the delays and the need for rectification of the repairs. Highway agreed to his proposal, but Mr S didn't.

Subsequently, Mr S's representative told us that as the van still wasn't properly repaired, he kept having to use glue to keep parts in place. She said the replacement vans had been changed regularly whilst repairs were done at both garages, causing Mr S and his partner to take time off work to return / collect vehicles. She said some of Mr S's tools were stolen by one of the garages. The representative also said as that as the replacement vans were small, Mr S and his partner couldn't bring their dog to work. So Mr S's partner stayed at home with it (having given up work to help Mr S in the business) whilst he paid for help.

As there was no agreement, the complaint was passed to me for review. I issued a provisional decision as follows:

*I think the first garage had the van for an excessive amount of time, yet it still didn't carry out the repairs or the rectification work properly. Further unnecessary delay followed when Highway's agent took so much time to deal with the second garage's estimate. Mr S had the use of his van during that period, but it still put a hold on the start of further repairs, and meanwhile Mr S's anxiety about his van's condition continued.*

*The policy provides for a courtesy vehicle for the duration of the repairs. It says the replacement will usually be a small van. Highway ensured that Mr S had a replacement vehicle whenever the van was off the road. Anything other than a standard small vehicle*

would have had to be provided outside the policy's standard terms, and there was no obligation on Highway to upgrade the standard cover.

The file notes show that on 4 April 2022 Mr S told Highway that a family holiday was booked for the next week, and that the replacement van he had was only a three-seater. Highway checked and found that Mr S's van was due to be returned to him the next day. But it said if the van wasn't returned in time for the holiday it would upgrade the hire to provide a bigger vehicle to Mr S. I think that was good service. It also paid Mr S £100 compensation at that point, as it thought the repairs had been going on for too long. It treated this an informal resolution of his complaint.

There's nothing on the file to show that Mr S told Highway he was regularly having to change replacement vans, or that his tools were stolen. The regular change in vans may (or may not) have been avoidable, but Highway wasn't given the chance to raise it with the hire firm. And as it seems Mr S didn't notice the theft straight away. He isn't sure where the tools were stolen from. So I can't see what Highway could have done about it, even if he'd reported it.

Mr S told us from the start that the van was very important to him and his partner for family life. His representative says they had dreamt about using it for work and for family trips and holidays, in the UK and abroad. That's why they spent so much money on buying it. So it must have been very upsetting for them when the van was damaged twice quite soon after its purchase, given their huge financial and emotional investment in it.

Highway's responsibility was to have the van repaired to a high standard, within a reasonable time, and to provide a replacement vehicle, in line with the standard policy terms. I think it did the latter, but as the delays and poor repairs had a great impact on Mr S, it's appropriate for Highway to pay him compensation, which it has accepted.

I think Mr S faced considerable distress and inconvenience over a lengthy period. His van was off the road for around six months in total, although the damage to it wasn't extensive. Mr S was able to use replacement vehicles for work, but the van wasn't used purely for work purposes. His investment in it meant the family had no other transport, and their activities were limited. So I think the impact of the van's absence was far greater on Mr S than it would have been on a typical consumer whose work van was off the road.

I agree with the investigator about the bracket of compensation into which this case falls. But I think the level of inconvenience and upset to Mr S, plus the length of time it continued - and the impact on his and his family's life - mean this complaint sits at the top of that bracket. So I'm minded to conclude that it would be fair and reasonable for Highway to pay Mr S £750 for distress and inconvenience.

I can't see anything on the file to show that Mr S has complained to Highway about the second garage's repairs. If the work still hasn't been completed to the right standard, Mr S needs to contact Highway so it can investigate and try to resolve the matter. If he isn't satisfied with Highway's resolution, Mr S can make a further complaint to us.

I asked the parties to comment on my provisional findings. Mr S accepted them, and Highway made no comment.

### **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.

As Mr S accepted my findings, and Highway didn't comment, I see no reason to depart from them, so for the reasons stated above, I think Highway should pay Mr S £750 compensation

for distress and inconvenience.

**My final decision**

My final decision is that I uphold this complaint. I require Highway Insurance Company Limited to pay Mr S £750 compensation for distress and inconvenience.

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

Susan Ewins

**Ombudsman**