

The complaint

Mr M is unhappy with the way Skyfire Insurance Company Limited (Skyfire Insurance) dealt with his claim following damage to his car.

Skyfire Insurance are the underwriters of this policy. Part of this complaint concerns the actions of the agent, company C. As Skyfire Insurance have accepted they are accountable for the actions of company C, in my decision, any reference to Skyfire Insurance includes the actions of company C.

What happened

Mr M held a car insurance policy with Skyfire Insurance.

On 4 January 2022 Mr M took his car for an MOT. The result of the MOT recorded that the *'supplementary restraint system warning lamp indicates a fault.'*

On 5 March following bad weather Mr M's vehicle was damaged as a result of wheelie bins being blown into the front of his car. Mr M contacted company C to make a claim.

On 22 April an approved repairer (AR) of company C completed an estimate for the work required to repair the damage on Mr M's car. This estimate included *'front airbag sensor.'* An image taken at the time showed the airbag light illuminated.

The estimate and images were sent to an independent engineer (engineer H) for sign off. The independent engineer determined that the front bag air sensor would not be included in the scope of repair.

On 27 May Mr M's car was returned to him. On 30 May Mr M contacted company C and reported issues with the sensor not working. Mr M said he was told his car was not drivable.

Company C said they'd ask engineer H for comments on why damage to the sensor had not been included. Mr M also spoke to the AR and was told *'you can arrange your own independent engineer, and if found to be incident related then we would reimburse your costs. Please note if you do arrange your own independent engineer we would need them to submit their document/findings to us.'*

On 24 June Mr M took his car to a repair garage [garage A] for them to determine what was wrong with his car. It was recorded *'Check for airbag light staying on since involved in a incident , Carry out Diagnostic check to Restraints control module found driver's frontal stage 1 and stage 2 - deployment control circuit open (intermittent), in our opinion this has been caused by impact to the front of the vehicle so would need to go to [car name] main dealer to be rectified.'*

Mr M sent this to the AR. The AR forwarded it to company C, who then forwarded it to engineer H for comment. Mr M didn't hear back from company C.

Unhappy with the handling of his claim Mr M complained to the Financial Ombudsman Service.

Skyfire Insurance told this service that engineer H has advised that '[garage A] are unable to pinpoint the exact module or sensor that is at fault.' It was suggested *'that the vehicle is referred to a [car name] main dealer'* as advised by garage A.

Because the cause of damage hasn't been confirmed as being related to the accident, Skyfire Insurance maintain their position not to pay for the damage to the sensor.

The investigator found that the service provided by Skyfire Insurance has been poor. The investigator said that Skyfire Insurance should pay Mr M £300 in recognition of the delay in dealing with his claim properly, lack of communication with him, and inconvenience caused. The investigator also asked Mr M to obtain a report from the main dealer for his car which would include a timestamp to show when the issue with the sensor started. This could then be used by Skyfire Insurance to determine whether this damage is accident related.

Skyfire Insurance agreed with the investigator's findings. Mr M rejected these findings, saying there was no mention of sending his car to a main dealer when he spoke to the AR about the issues with the sensor, and that the AR told him *'...the impact of two large wheelie bins (approximate weight 15/20 kg empty), being hurtled onto my car during storm Eunice in February 2022 could certainly caused internal damage to [Mr M's] vehicle.'*

As the complaint couldn't be resolved it has been passed to me for 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.

I'd like to reassure the parties that although I've only summarised the background to this complaint, so not everything that's happened or been argued is set out above, I've read and considered everything that's been provided.

Mr M feels strongly that company C have treated him unfairly by not including the work required to his sensor when repairing the damage to his car. I thank Mr M for taking the time to explain his personal circumstances and everything that's happened since the damage to car was discovered in March 2022. I understand it has been a difficult time for Mr M.

When we investigate a complaint about an insurer's decision on a claim, our role is to consider whether the insurer handled the claim in a fair and reasonable manner. So I've considered the evidence to determine whether Skyfire Insurance have acted fairly and reasonably in reaching their decision on Mr M's claim.

I've seen that the reason Skyfire Insurance didn't include repairs work to the sensor is because the independent engineer determined that this wasn't accident related. An engineer's professional opinion is generally regarded as an impartial and independent view. An engineer's professional duty is to the Court - not the business instructing them, or the customer. Because of this, generally we'd say it's fair for an insurer to rely on this evidence when dealing with a claim.

But I think there was some confusion about how the engineer's findings were communicated to Mr M, and what he was asked to do in order for company C to reconsider his claim. Mr M was told by the AR that he could arrange his *'own independent engineer, and if found to be incident related then we would reimburse your costs.'* The terminology used here was

'engineer.' But I've seen that engineer H later explained that Mr M should take his car to a main dealer to determine the cause of damage, and for company C to reconsider the claim.

I've seen that following the advice from the AR, Mr M took his car to garage A. I accept that garage A is neither an engineer nor main dealer so these findings would not have been suitable for company C to reassess Mr M's claim.

I think company C should've better handled Mr M's claim by allowing Mr M the opportunity to discuss the findings of engineer H, directly with engineer H. This should've been offered at the earliest opportunity- ideally when Mr M first raised the issue with his sensor after his car was returned to him in May 2022. If Mr M had spoken to engineer H sooner he would've been given correct information about what was needed in order to challenge the decision not to pay for the repairs to his sensor. Because this didn't happen Mr M took his car to a garage A believing this would be sufficient evidence to show that the damage to the sensor was accident related. I think the service provided here was poor.

I've considered what would've happened if Mr M had been given correct information about his claim from the outset. And I think Mr M would likely find himself in the same position that he is in now. That is having to take his car to a main dealer before company C could further assess his claim. But I do think Mr M has been caused inconvenience that could otherwise have been avoided if company C had dealt with the claim properly from the outset.

The investigator recommended company C pay Mr M £300 in recognition of their poor handling of Mr M's claim and impact on him. Having reviewed the evidence I agree with the investigator's recommended compensation for this complaint for broadly the same reasons. I can understand this is likely to come as a disappointment to Mr M but I hope my findings go some way in explaining why I've reached this decision.

Company C should've handled Mr M's claim properly by letting him know what he'd need to do to challenge engineer H's findings, and allowing him the opportunity to discuss directly with engineer H why damage to the sensor had not been included in the scope of repairs authorised. Because this didn't happen, Mr M was left chasing company C for updates, and feeling frustrated by their lack of response.

When thinking about the impact on Mr M, I think the £300 recommended by the investigator is fair and in line with what we'd recommend in the circumstances. This amount is in recognition of the inconvenience caused to Mr M by having to take his car to garage A when these findings would not have helped with his claim, and the upset caused by the lack of meaningful updates and communication with Mr M during his claim.

Mr M says the compensation awarded doesn't reflect the work required to repair his car. I understand Mr M is ultimately unhappy with the outcome of his claim in respect of the sensor for his car not being repaired as part of the initial repair work.

As the cause of damage to the sensor hasn't been agreed, I don't think company C's decision not to include this damage is unreasonable. I think £300 fairly recognises the impact on Mr M by what went with the handling of the claim, but also that the outcome of the claim, for now, remains unchanged.

Putting things right

- Skyfire Insurance Company Limited must pay £300 to Mr M.
- Should Mr M wish to take his car to a main dealer, he must do so within 30 days of this final decision.

The evidence from a main dealer must be time stamped to show when the damage to the sensor likely happened.

Upon receipt of evidence from a main dealer Skyfire Insurance Company Limited must reassess Mr M's claim in line with the terms and conditions of his car insurance policy.

If the cause of damage is found to be accident related Skyfire Insurance Company Limited must reimburse Mr M the cost of the taking his car to a main dealer.

My final decision

For the reasons provided I uphold this complaint.

Skyfire Insurance Company Limited must follow my directions above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr M to accept or reject my decision before 11 April 2023.

Neeta Karelia
Ombudsman