

The complaint

Mr S complains that Mulsanne Insurance Company Limited mishandled his claim on a motor insurance policy.

What happened

The subject matter of the claim and the complaint is a five-door hatchback car, first registered in 2019.

For the year from September 2021, Mr S had the car insured on a comprehensive policy branded with the name of an insurance intermediary. Mulsanne was the insurance company responsible for dealing with any claim.

Unfortunately, Mr S reported that in late July 2022, the car had been in an accident and sustained damage to the offside (driver's side) doors.

In August 2022 Mr S, with help from a family member Mr K, complained to Mulsanne's claims handlers about delay in getting the vehicle in for repairs.

By a final response letter dated early October 2022, the claims handlers accepted the complaint and apologised.

In mid-October 2022, Mr S complained to the intermediary.

Mr S brought his complaint to us later in October 2022.

By a response letter dated mid-November 2022, the intermediary accepted the complaint and offered £250.00 compensation.

Our investigator didn't recommend that the complaint should be upheld. She thought that Mulsanne had acted and responded fairly to Mr S's complaint.

On behalf of Mr S, Mr K disagreed with the investigator's opinion. He asked for an ombudsman to review the complaint. Mr K says, in summary, that:

- Nothing ever surfaced from the insurance company regarding any apology or goodwill compensation.
- The insurance company is in place to help sort out things like this, but they have dragged their heels and left Mr S to struggle, costing him money which he hasn't got.

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 policy terms included the following definition:

“We/Us/Our

[the intermediary], and the insurers who underwrite this policy whose details are shown in the certificate of insurance.”

The certificate of insurance gave details of Mulsanne. So I consider that – in offering cover and dealing with the claim and the complaint – the intermediary was acting on behalf of Mulsanne. I hold Mulsanne responsible for the acts or omissions of the intermediary.

The policy terms said that Mulsanne would provide a small courtesy car while the policyholder's car was being repaired. There was a “Courtesy Car upgrade option” that would've provided a larger hire car. But that upgraded cover only applied if the policyholder had agreed to pay any additional premium and the schedule stated that this section was in force.

There's no evidence that Mr S had paid for such upgraded cover.

In my view, the accident and the need to make a claim were bound to cause Mr S some distress and inconvenience, for which I can't hold Mulsanne responsible.

However, it took about seven or eight weeks before an engineer inspected the car on behalf of Mulsanne. He said it was not roadworthy. It took a further four or five weeks before another engineer authorised the repairs on behalf of Mulsanne.

The intermediary has accepted (on behalf of Mulsanne) Mr S's complaint about that timescale. I don't consider that by this timescale, Mulsanne treated Mr S fairly.

The impact on Mr S was that he was left with an unroadworthy car for longer than he expected, and he had to chase for progress and updates.

I accept Mr K's statement that Mr S had to use buses to pick up his granddaughter from school every day including in bad weather. But I don't think that would've been the case during the school summer holiday. So it must've started after the school holiday ended in early September 2022.

However, Mr S and Mr K have fallen short of providing enough detail and evidence to show that Mulsanne caused Mr S a financial loss.

I accept that the intermediary wrote its final response in mid-November 2022 offering £250.00 compensation. As the intermediary sent that response to us later in November 2022, I accept that it sent that response to Mr S in mid-November 2022.

From what Mr K told us on about 25 November 2022, the car went in for repair on about 9 November 2022 and Mr S got it back on about 24 November 2022.

He sent us a copy of an invoice that shows that, between those dates, a car hire company provided a hire car at a cost of about £600.00. I would expect Mulsanne to have paid that invoice. But the invoice post-dates Mr S's complaint to us. So Mr S is free to make a further complaint to Mulsanne if it hasn't paid that invoice.

Mr K also sent us a copy of an invoice for the excess of £400.00. The final response had said he would have to pay that amount. I consider that he had to pay it as a result of the accident and claim and not as a result of Mulsanne's delay.

Incidentally, the investigator sent the intermediary's November 2022 final response to Mr K in late December 2022. So he had seen it by then.

I'm satisfied that the intermediary made its offer on behalf of Mulsanne.

Putting things right

I've thought about how much compensation I would've directed Mulsanne to pay if there had been no offer or payment.

In early January 2023, the intermediary asked us if it should pay the £250.00 and we said that it should. But the intermediary replied that it would wait to hear from the ombudsman. So I'm not sure that the intermediary has made the payment. I find it fair and reasonable to direct Mulsanne to pay Mr S £250.00 for distress and inconvenience insofar as it (or the intermediary on its behalf) hasn't already paid that amount.

My final decision

For the reasons I've explained, my final decision is that I direct Mulsanne Insurance Company Limited to pay Mr S £250.00 for distress and inconvenience insofar as it (or the intermediary on its behalf) hasn't already paid that amount.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr S to accept or reject my decision before 4 April 2023.

Christopher Gilbert

Ombudsman