

The complaint

Mr A complains that Skyfire Insurance Company Limited mishandled his claim on his motor insurance policy.

What happened

The subject matter of the claim and the complaint is a car, first registered in 2016. Mr A has owned it since at least August 2019.

Mr A took out a comprehensive policy for the car for the year from 11 February 2022. The policy was branded with the name of an insurance intermediary. Skyfire was the insurance company responsible for dealing with any claim.

Unfortunately, Mr A reported that on 12 August 2022, the driver of a third party vehicle had damaged the side of his car. On about 13 August 2022, Skyfire instructed its approved repairer.

On about 24 August 2022, the repairer provided an estimate. At about the same time, Skyfire arranged for a car hire company to provide a courtesy car to Mr A. Mr A paid the car hire company £70.00.

By late August 2022, Mr A had complained to Skyfire about delay and poor service. On about 22 September 2022, the repairer advised that Mr A's car was roadworthy. The car hire company asked for the return of its car. Mr A had to pay a £20.00 fee for late return.

By late September 2022, Mr A had complained to Skyfire about the conflicting information about whether his car was roadworthy.

On 6 October 2022, Skyfire approved the repairer's estimate.

Skyfire's repairer said it couldn't do the repair until early 2023.

In late November 2022, Mr A brought his complaint to us.

By mid- February 2023, the repairer was repairing the car. On 14 February 2023, the intermediary (on behalf of Skyfire) responded to us about the complaint. It offered to pay £150.00 as an apology for the distress and inconvenience caused to Mr A.

Our investigator recommended that that Skyfire's offer was fair and reasonable and in line with our guidelines for compensation.

Mr A didn't accept Skyfire's offer. Mr A disagreed with the investigator's opinion. He asked for an ombudsman to review the complaint. He says, in summary, that:

- The car hire company returned the £20.00.
- The £70.00 he paid has not been refunded.
- As at mid-February 2023, his car is in the garage for repairs. The hire company

provided a courtesy car, and he has paid another £70.00.

- The repair garage is demanding the £250.00 excess. He asks if it is not the duty of Skyfire to claim it back from the third party because it was a non-fault accident.
- £150.00 is not enough for the mental and emotional torture.

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.

From the policy schedule, I see that any claim for damage was subject to payment of an excess of £250.00.

In late February 2022, the car passed an MOT test with a recorded mileage of about 129,000.

In my view, the accident and the need to make a claim were bound to cause Mr A some upset and inconvenience, including the need to make calls to his insurer and its repairer.

After the accident in August 2022, a photograph records a mileage of about 137,000.

As regards the first charge of £70.00, Mr A has described this as an excess. But I find it more likely that it was an optional charge for an optional limitation or waiver of the hire company's usual excess. As Mr A hasn't shown why it would be fair for Skyfire to reimburse it, I don't find it fair and reasonable to direct Skyfire to do so.

I consider that Skyfire or its repairer could've done more sooner to clarify that the car was roadworthy. But in the meantime, Mr A had the benefit of a hire car for about a month.

There was continuing delay in getting the repairs estimated, approved and carried out. And I'm not satisfied that Skyfire kept Mr A updated as it should have done.

I don't find it unfair that Skyfire asked the repairer to collect the excess of £250.00. That is an uninsured loss. I don't consider that Skyfire is obliged to try to recover it from the third party on Mr A's behalf, although it may do so.

I don't think that I can deal in this final decision with any points that had not been raised with Skyfire before its response of 14 February 2023. Skyfire hasn't had an opportunity to respond to such points. That includes the complaint about the car hire company's second charge of £70.00.

Putting things right

I've found delay and failure to update Mr A. I've thought about how these shortcomings have had an impact on Mr A. I accept that he felt disrespected. He had to chase for updates. And for some time in the autumn and winter he had to drive his car with damage to the passenger side.

However, he had the benefit of a hire car for about a month in August and September 2022 and the expectation that he would get a hire car again when his car finally went in for repair in February 2023.

So overall I'm satisfied that £150.00 is fair and reasonable compensation for the extra distress and inconvenience Skyfire's shortcomings caused Mr A at an already difficult time.

My final decision

For the reasons I've explained, my final decision is that I uphold this complaint in part. I direct Skyfire Insurance Company Limited to pay Mr A (insofar as it hasn't already paid him) £150.00 for distress and inconvenience.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr A to accept or reject my decision before 21 April 2023.

Christopher Gilbert

Ombudsman