

The complaint

Mr Z has complained that Markerstudy took too long to repair his vehicle, which he uses as a taxi, after he made a claim for damage to it under his Public and Private Hire insurance policy.

What happened

The panoramic roof on Mr Z's vehicle was damaged on 15 December 2021. He contacted Markerstudy and made a claim under his policy. Markerstudy referred the matter to one of their approved repairers, who I'll refer to as A. They booked Mr Z's vehicle in for repair on 24 January 2022. Mr Z wasn't happy about this, as his vehicle wasn't safe to drive with the damaged roof. He complained to Markerstudy. They checked with A, who told them they thought Mr Z's vehicle was still safe to drive and this is why they'd booked it in for so far in advance. It seems A then collected the vehicle and ordered the new roof that was needed to repair it from the manufacturer of the vehicle.

Mr Z then contacted Markerstudy about being provided with a replacement vehicle. Markerstudy spoke to A and were told that Mr Z's vehicle would be repaired by 4 January 2022. So, Markerstudy told Mr Z this. Markerstudy contacted A again on 6 January 2022 and were then told the roof was on back order and they'd be chasing the supplier. Markerstudy called Mr Z and told him this and they let him know that under the terms of his policy he was only entitled to a replacement vehicle for seven days. Mr Z wasn't happy about the delay or the fact he'd not have a replacement car, bearing in mind the taxi was his source of income. Markerstudy registered a complaint.

It seems from the claim notes provided by Markerstudy that the repair to Mr Z's vehicle was only actually authorised by their engineer on 18 January 2022. But it seems the roof had actually arrived on 7 January 2022. And A did nothing until they transferred Mr Z's vehicle to a main dealer (M) on 19 January 2022. And M couldn't actually carry out the replacement because A hadn't ordered the correct additional items to enable the roof to be fitted. And – as far as I can see – Mr Z had to pay his policy excess and was able to collect his vehicle from M on 4 February 2022. He then had to take it back to have the trim fitted on 21 February to complete the job.

Mr Z provided what he said was proof of his loss of earnings to Markerstudy. They then issued a final response letter on Mr Z's complaint. They accepted the service he'd received wasn't as good as it should have been and paid him £350 in compensation to cover any trouble and upset he had experienced. They said they'd consider a further payment for loss of income if Mr Z provided evidence of this.

Mr Z asked us to consider his complaint. One of our investigators did this. She said Markerstudy's payment of £350 in compensation and, what she described as their offer to cover Mr Z's loss of earnings, was fair to put things right. Mr Z then pointed out that he'd not heard anything from Markerstudy on his loss of earnings. The investigator checked with Markerstudy and they said they were not willing to pay anything for loss of earnings, as they thought the compensation they'd paid was enough.

Mr Z wasn't happy about this, so the investigator put his complaint forward for an ombudsman's decision.

I issued a provisional decision on 14 March 2023, in which I set out what I'd provisionally decided as follows:

I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint.

Having done so, I've provisionally decided to uphold it and award a further amount to compensate Mr Z for being without his vehicle for much longer than should have been the case.

It is hard to tell from Markerstudy's claim notes exactly why A didn't seem to realise at the outset that Mr Z's vehicle would need to go to a main dealer to have the new roof fitted. But, I think they should have done. It was clearly a specialist job and they should have appreciated this and arranged for the vehicle to go to M as soon as possible. M could then have ordered the glass for the new roof and fitted it. Instead of this, A ordered the glass and supplementary items, which appear to have arrived at their workshop on 7 January 2022. But then the vehicle wasn't transferred to M until 19 January 2022. And M weren't able to complete the repair until 4 February 2022, which was partly because A had ordered the wrong supplementary parts.

It's not clear why it took so long for M to complete the work. But it seems clear that if A had transferred the vehicle to M at the outset on 17 December, the work would have been completed much sooner. I can't be sure exactly how long it would have taken, but I think if A got the glass on 7 January, M could have got it by this date. And – as they'd have had the vehicle and ordered the right supplementary items, I think it could have been scheduled and completed within a week at the most, ie by 14 January 2022. Whereas Mr Z didn't have his vehicle back to use until 4 February 2022.

Mr Z had lost the replacement car Markerstudy had provided in late December, as far as I can tell. So this means that due to poor handling by A, who Markerstudy are responsible for, Mr Z had no vehicle to carry out his business as a taxi driver for three weeks longer than I think should have been the case.

I've asked Mr Z through our investigator to provide clear evidence of what he would have earned in January 2022. In the equivalent period in 2021 the country was in Lockdown, so this would not provide a suitable comparison for January 2022. Mr Z has provided some information on what he earned in September, October and November 2021, but it's not clear to me from this what his expenses were. And it is very hard to understand the information without clear accounts or a covering explanation alongside it.

However, I do think Mr Z lost some income in the three weeks he didn't have his car when he should have done and I don't think the £350 Markerstudy have paid reflects this. I think this is only adequate to cover the distress and inconvenience he experienced as a result of the problems with the repair to his vehicle.

I cannot really establish what Mr Z actually lost due to the fact he's not provided a clear explanation in support of the evidence he's provided. So, because we are an informal dispute resolution service and I need to decide what's fair and reasonable, I've decided to award a further £500 simply for the inconvenience Mr Z experienced in not having his taxi for three weeks longer than should have been the case due to the poor performance of Markerstudy's approved repairer. This is not meant to represent what he lost in income, as I can't really establish this. It is simply meant to reflect the fact Mr Z lost the use of a vehicle

that was very important to his business for a period of three weeks when this shouldn't have happened. And that this would have had an impact on his business.

I gave the parties until 28 March 2023 to provide further comments and evidence.

Markerstudy have responded to say they have no further comments or evidence to provide.

Mr Z has come back to say that he does not agree with what I provisionally decided, because it does not cover what he lost as a result of the delay in replacing the roof on his vehicle. He's mentioned he spent nearly £1,700 on the loan for his vehicle over a period of three months and lost more than the additional £500 I said Markerstudy should pay in compensation.

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've noted Mr Z's comments. But, as I explained in my provisional decision, it is very difficult to know from the evidence he has provided what he lost in income as a result of the delay in replacing the roof on his vehicle. He has referred to a period of three months. But I do not think this was the extent of the delay caused by A. I think this was actually only three weeks for the reasons set out in my provisional decision. I appreciate Mr Z had to continue paying the loan for his vehicle in the period he was waiting for it to be repaired. But, he would have had to pay this irrespective of whether the roof was replaced earlier or not. So, this is not – in my opinion – a financial loss that flows from the delay caused by A.

Putting things right

In the circumstances, it remains my view that the fair and reasonable outcome to Mr Z's complaint is for Markerstudy to pay him a further £500 in compensation for the loss of use of his vehicle for a period of three weeks; which is the period I think he was without it due to the delay caused by A.

My final decision

For the reasons set out above, I uphold Mr Z's complaint about Markerstudy Insurance Company Limited and order them to pay him a further £500 in compensation.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr Z to accept or reject my decision before 18 April 2023.

Robert Short
Ombudsman