

## **The complaint**

Mr C complains about Mulsanne Insurance Company Limited's ("Mulsanne") delay in dealing with his claim under his car insurance policy.

Mr C's complaint is being brought by a representative, who I'll refer to as Mrs C.

Mulsanne are the insurers of Mr C's policy. Part of this complaint concerns the actions of an agent. As Mulsanne have accepted they are accountable for the actions of the agent, any reference to Mulsanne includes the actions of the agent.

## **What happened**

Mr C was involved in a car accident, which he reported to Mulsanne to start the claims process. Mulsanne declared Mr C's car a total loss. Mr C became concerned about Mulsanne's lack of progress and updates, so Mrs C complained on his behalf. Following this, a dispute arose around the valuation of Mr C's car. Mr C didn't receive a complaint response within eight weeks, so Mrs C referred the complaint to our service. During our investigation, Mulsanne agreed a settlement with Mr C – and Mrs C agreed the settlement no longer formed part of the complaint. Mulsanne then responded to the complaint and accepted there had been delays in dealing with the claim and a lack of updates. So, they initially offered £300 compensation but, after this was declined, they increased this to £450.

Our investigator looked into things for Mr C. He agreed Mulsanne had made errors and thought Mulsanne's offer of £450 was fair. Mr C disagreed so the matter has come to me for a 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.

Having done so, I've decided Mulsanne's offer is a fair way to resolve matters. I understand Mr C will be disappointed by this but I'll explain why I have made this decision.

Firstly, I've looked at the service given to Mr C. My role requires me to say how a complaint should be settled quickly and with minimal formality and so I'll focus on what I consider to be the crux of the complaint and the main areas of dispute. The key facts about the complaint aren't in dispute. Mulsanne accept they got things wrong by taking too long to settle the claim and not keeping Mr C updated. The only issue I have to decide is whether their offer of £450 is fair and reasonable in the circumstances.

I think it's right that Mulsanne should compensate Mr C for the upset, frustration and inconvenience caused. To help decide what a fair and reasonable level of compensation should be, I've looked at the errors by Mulsanne and the impact it has had. I will also add, while I can see this has been a very distressing time for Mrs C - having to spend lengthy periods of time on the phone and having to chase Mulsanne for updates, our service is only able to award compensation for the impact of Mulsanne's service on Mr C.

Mulsanne don't dispute there's been delay in settling the claim. I can see the accident which relates to this claim occurred at the end of October 2022, and Mr C's car is then inspected by an engineer a couple of weeks later and declared a total loss. The notes on the engineer's report suggests a settlement figure of £1,230 was discussed and agreed with Mr C. An email was then sent by the engineer to Mr C asking for a copy of some of the pages from the V5 document. I can't see much happened after this, and this led Mr C to complain at the end of December. Then, at the start of January 2023, Mulsanne email Mr C asking for a copy of the V5 and also his bank details. Mr C then asks Mulsanne to provide him with a valuation for his car. Around two weeks later, Mulsanne email Mr C and explain the valuation is £1,530 and, after deducting the excess of £300, the final figure is £1,230.

Over the next couple of weeks, there's email exchanges between Mrs C and Mulsanne, with Mrs C providing proof of purchase of the car and also examples of similar cars. Over the following week, Mulsanne are in contact with their agent to see whether the valuation can be increased. Their agent maintains the valuation and, around a week later, Mulsanne email Mrs C and explain the offer for the total loss of Mr C's car can't be increased. They again claim the £1,530 valuation was agreed with the engineer during a call so can't now be disputed. They say the car has been disposed of based on this valuation. They ask for a copy of pages of the V5 so they can progress the claim.

I can see there's a dispute on this point with Mr C claiming no discussion took place around settlement. I can see Mulsanne made attempts to obtain the call recording between Mr C and the engineer, but this wasn't available. I acknowledge the engineer's report notes a settlement was agreed during a call with Mr C, but I'm not persuaded that was the case. I say this because, the email from the engineer which followed the phone call doesn't mention the settlement value – and I think it's more likely than not, given this would be a very important factor in a claim, that it would be mentioned in the email. It's also clear from Mr C's email to Mulsanne at the start of January 2023, where he asks for a valuation, he wasn't aware of any settlement being agreed. So, this has caused delay in the early stages of the claim and, up until Mulsanne's email in mid-January 2023, I can't see any valuation proposals were made to Mr C.

Following Mulsanne maintaining their offer, Mrs C continues to chase for updates but, even though there's a valuation dispute, the information shows Mulsanne weren't really taking any action to resolve the dispute in order to progress the claim. Mulsanne then respond to Mrs C's chasers at the end of March – which is when Mrs C referred the complaint to our service. Mrs C then proposes settlement terms for Mulsanne to consider and an agreement is then reached around a week later – an email is sent by Mulsanne to Mrs C agreeing to pay £1,230.

Looking at the periods of inactivity, and even discounting the periods where there was a valuation dispute, I agree there has been delay by Mulsanne in settling the claim. For example, when Mulsanne email Mrs C maintaining their original offer, they find out the following day that the call recording between the engineer and Mr C is no longer available. Despite knowing the call recording can't now be used to determine what happened, they don't appear to have taken any alternative and progressive steps to try and settle the claim – and don't provide any substantive update until the complaint was referred to our service just over six weeks later.

In addition to this, I can see Mrs C has had to continuously chase Mulsanne for updates. While I acknowledge it was Mrs C sending the chasers, this has had an impact on Mr C as his claim was taking too long to settle. Also, although it was Mrs C chasing for updates, the lack of response from Mulsanne meant Mrs C couldn't pass on any updates to Mr C – and this again has had an impact on him. I think it's also important to note, Mrs C was making it clear to Mulsanne how the delay and lack of updates were affecting Mr C.

So, taking this all into account, there has been considerable upset and frustration caused to Mr C together with significant inconvenience in not being able to buy another car to use as transport. I can't say the whole period of the claim involves delays which are directly attributable to Mulsanne because there was a valuation dispute – and it appears the end settlement was for this original valuation. But it's clear things weren't being progressed as quickly as they should've been and, while this caused upset and frustration, the lack of updates and response compounded the impact on Mr C. So, taking into consideration the impact on Mr C, I think Mulsanne's offer of £450 compensation is fair and reasonable in the circumstances.

I understand Mr C and Mrs C will be disappointed, and I do acknowledge why they're frustrated at the length of time it took for Mulsanne to settle the claim. I wish to reassure them I've read and considered everything they've sent in, but if I haven't mentioned a particular point or piece of evidence, it isn't because I haven't seen it or thought about it. It's just that I don't feel I need to reference it to explain my decision. This isn't intended as a discourtesy and is a reflection of the informal nature of our service.

### **My final decision**

Mulsanne Insurance Company Limited have already made an offer to pay £450 compensation to settle the complaint, and I think this offer is fair in all the circumstances.

So my decision is that Mulsanne Insurance Company Limited should pay £450 to Mr C, if they haven't done so already.

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

Paviter Dhaddy  
**Ombudsman**