

The complaint

Miss I is unhappy with how Aioi Nissay Dowa Insurance UK Limited (trading as Insure the Box) handled a claim she made on her motor insurance policy and with the repair work it had carried out.

Other companies have been involved in this complaint, but Insure the Box is the underwriter of this policy (i.e. the insurer). It is therefore responsible for it, and any references to Insure the Box includes the actions of the companies acting on its behalf.

What happened

Miss I made a claim on her car insurance policy when she was involved in an accident. Insure the Box arranged for the car to be repaired by a garage in its network.

Miss I informed the garage that the airbag warning light also came on but Insure the Box's inhouse engineer said they couldn't be sure the fault was incident related and declined to cover the repair work as part of the claim. Unhappy with this, Miss I complained. She also said it took too long to repair the other damages to the car and she wasn't happy with the quality of the repairs carried out.

Insure the Box didn't change its position, and it said the delays were unavoidable because the garage was waiting for parts from the manufacturers. But it said when Miss I phoned, the complaint should have been passed to their claims team, and it wasn't. It also said the garage should have informed it's agents when the issue with the airbags was discovered, so it offered to pay Miss I £75 in compensation.

Miss I didn't accept this and brought her complaint to our service. Our investigator thought the complaint should be upheld. He said that as its engineer didn't think the airbag warning light was related to the incident, he thought it was reasonable for Insure the Box not to authorise the repairs. But he thought it should increase its compensation to £200 because he didn't think the initial three-months it took to repair the car was justified. He thought Insure the Box caused further delays and confusion when it agreed to reconsider the airbag issue- despite an engineer stating this wasn't claim related.

Miss I doesn't think £200 is enough compensation for the distress she was caused. Insure the Box also didn't accept our investigator's opinion, it doesn't think an increase in compensation is warranted.

As an agreement couldn't been reached the complaint has been passed to me to decide.

I issued my provisional decision on 9 June 2023 in which I said:

"...Miss I says she received a bill from the hire car company for £700 which she doesn't think she ought to have received. Insure the Box said it was not involved in the agreement Miss I had with the hire company as she had entered into a separate agreement with them. However, it provided system notes which show Miss I wasn't charged, and no payment was taken. If Miss I wishes to query this further, she will need to raise it directly with the hire

company. I therefore won't comment on this any further here.

Airbags warning light

The terms and conditions of the policy say Insure the Box will not cover "repairs which improve your car beyond its condition before the loss or damage happened." This usually means it is only responsible for repairing damage caused by the accident. It's approved repairers already carried out some repair work to the car, but it doesn't think the issues regarding Miss I's airbags warning light was accident related. So, I've thought about whether it was fair for it not to take responsibility for fixing this problem. I don't think it was and I'll explain why.

I've listened the phone call in which Miss I notified Insure the Box of the incident and noted the circumstances of the accident. Having also considered the garage's initial estimate for the repairs it's clear Miss I's car sustained damage to the front the car.

It had the car inspected by the manufacturer dealership and they traced the wiring to the internal failure and said the airbag computer would need replacing. Miss I says the airbag warning light came on after the accident. So I consider it is for Insure the Box to show the issue it identified with the airbag warning light wasn't accident related.

It's engineer says the airbag computer isn't something usually damaged in an accident; however, its notes show its inhouse engineer thought the damage to the airbag computer is in line with the type of accident that occurred.

It says the manufacturer dealership couldn't confirm whether the damage was accident related, and it declined the repairs on this basis. The manufacturer dealership's report it provided identified the problem, but the dealership made no comments on whether the damage was caused by the accident or not. I've asked Insure the Box for evidence of the dealership comments on the damage in relation to the accident, but it hasn't provided it. Considering this, and the conflicting opinions provided by its engineer, I'm not satisfied its done enough to show the accident couldn't have caused the damage.

I've thought about what I think is most likely to have happened here. Having carefully considered all the information available and the level of damage to the front of the car, on balance, I think it's likely the issue with the airbag warning light was accident related. Therefore, I don't think Insure the Box's decision not to cover the repairs was fair or reasonable.

Quality of repairs

Miss I is unhappy with the quality of the repair work the garage carried out, she says part of the bumper above the tyre had been glued on. I've reviewed photographs Miss I took after the car was returned to her and I agree her concerns have basis. I note this was raised with Insure the Box by email and I can't see that any action was taken to resolve the matter. It says it wasn't aware of the issues raised until the complaint was brought to us and it has since been unsuccessful in its attempts to speak to Miss I. Nevertheless, I don't find the repairs to have been of the standard I would expect.

Miss I has since raised other concerns, namely with her radio and the catch on the boot of the car, but I can't see that these issues have previously been raised with Insure the Box. So, I won't comment on this here. If Miss I thinks further rectification work is required, she will need to raise this with Insure the Box directly.

Customer service

Insure the Box acknowledges there was a lack communication between its agents and says its claims department didn't take the relevant actions when Miss I made it aware of the issue with the airbags. It offered £75 in compensation for this and I think that's fair.

While I accept it had no control over the time it took to have the parts delivered. I note it took 10 days from when it received the car on site, before the parts were ordered. Once it received the final part, the cross member, it didn't carry out the repairs until several weeks later. I appreciate the garage says it was around the time it decided the car was to go to the manufacturer dealership, but its notes show it wasn't booked in to the dealership until 16 August 2022 – over two weeks after the part arrived. So, I find there were some unnecessary delays caused here.

Putting things right

The dealership determined the airbag computer needs to be replaced. Therefore, Miss I should obtain an estimate from a garage of her choosing to repair the airbag fault identified and Insure the Box should cover the cost of the repairs. Miss I says the dealership provided a quote for the repair work, she can provide Insure the Box the estimate from the dealership if she has it available.

I think Insure the Box had enough time to inspect the car a second time, after Miss I informed it that there were issues with the repairs. So, Miss I should also obtain an estimate to rectify the repairs to her bumper from a garage of her choice, and it should cover these costs also. Alternatively, if Miss I prefers, Insure the Box should arrange for the rectification work to be completed by its approved repairer.

I've also considered whether Insure the Box needs to do more to compensate Miss I. Insure the Box should compensate Miss I for the delays I mentioned above. Miss I also had to battle with it and its garage about the fault with the airbag warning light – which, as I've explained above, I'm satisfied was accident related. All of this has taken a considerable amount of time to put right. I also think it would have been upsetting to be told it wouldn't cover the repairs. And then to find the repairs that were carried out were of a poor standard. Therefore, I think Insure the Box should pay Miss I the £75 it already offered her, plus an additional £225 for the delays and upset it caused.

Considering our published guidance on making these awards, I consider the impact caused by the mistakes sits at the top of our 'up to £300' range. That deals with repeated mistakes requiring a reasonable effort to sort, and resulting in impact over days or even weeks. I think that description is commensurate with what Miss I experienced in this case. So, I find £300 to be the fair amount in the circumstances for the distress and inconvenience Insure the Box's mistakes caused her..."

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.

Both parties accepted my provisional decision, therefore I see no reason to depart from what I said provisionally.

My final decision

For the reasons set out above, I have decided to uphold this complaint and I require Aioi Nissay Dowa Insurance UK Limited (trading as Insure the Box) to:

- Pay the cost of the repairing the airbag warning light.
- Pay the cost of the repairing the damage to the bumper.
- Pay a total of £300 compensation.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss I to accept or reject my decision before 19 July 2023.

Oluwatobi Balogun
Ombudsman