

## The complaint

Miss B complains about how her insurer, Royal & Sun Alliance Insurance Limited trading as More Th>n (More Th>n), handled a claim under her motor insurance policy following the theft of the catalytic converter from her vehicle.

Any reference to More Th>n in this decision includes their agents.

## What happened

In July 2022 the catalytic converter from Miss B's vehicle was stolen. She contacted More Th>n the same day to tell them about the theft and lodge a claim. More Th>n appointed a firm (M) to arrange for Miss B's car to be repaired. M had difficulty finding a repairer to undertake the repairs but appointed a repairer at the end of August. Miss B was provided with a hire car (for 14 days) under her policy.

Miss B was unhappy at the time taken for the repairs to be arranged, so she complained to More Th>n in September 2022. More Th>n apologised for the delays, but said nationwide issues were delaying repairs being carried out. As Miss B hadn't been provided with a hire car (for the whole period) More Th>n agreed a loss of use payment as she didn't have access to her vehicle (£12 per day, for two periods in August and September). The parts need for the repairs were ordered, but they didn't arrive until November 2022, with Miss B's vehicle repairs being completed towards the end of November.

In acknowledgement of the delays and time taken for her vehicle to be repaired, as well as not being provided with a hire car for most of the time from the theft to the vehicle being repaired, More Th>n offered Miss B £672 as a loss of use payment. Miss B was unhappy with what had happened, wanting compensation for the delays and inconvenience she's suffered while her vehicle was in for repair. More Th>n logged this as a complaint (December 2022). However, More Th>n weren't able to consider and respond to her complaint, writing to her in February 2023 to say they wouldn't be in a position to issue a final response until April 2023.

Miss B then complained to this service. She said she'd been provided with compensation for being without her vehicle of £12 a day (apart from a two-week period when she had a courtesy car) even though she paid an additional premium for a courtesy car under her policy. She'd been without a vehicle for three months, until her vehicle was repaired in November 2022. And she'd continued to pay the premium for her policy during the period, as well as vehicle excise duty. She was unhappy at M's handling of the repair, with her having to chase several times for updates on the progress of repair of her vehicle. She didn't feel they'd treated her as a priority. She wanted More Th>n to pay her at least £600 to cover the policy excess (£350) and the cost of her policy and vehicle excise duty for the period she was without her vehicle, as well as £1,000 for the stress and unnecessary upset she'd suffered. She also wanted More Th>n to consider repairers other than M given the way they'd handled the repair and treated her.

Our investigator upheld the complaint. She thought More Th>n could have dealt with Miss B's claim more efficiently and provided a better service. More Th>n had accepted delays

occurred and offered £12 per day for loss of use of her vehicle. The investigator thought More Th>n should review the number of days the vehicle wasn't available and ensure they'd paid the correct sum for loss of use. The investigator also thought, having regard to the guidelines published by this service, More Th>n should pay Miss B £750 in compensation for distress and inconvenience. But the investigator didn't think More Th>n should refund the policy excess applied to the claim or the premiums paid for the period the vehicle wasn't available.

Miss B accepted the investigator's view, but as More Th>n didn't respond to the view, the complaint has been passed to me to consider.

### **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.

Y My role here is to decide whether More Th>n has acted fairly towards Miss B.

The main issue in Miss B's complaint is the time taken for her vehicle to be repaired following the theft of the catalytic converter in July 2022. And she'd not been provided with a hire car for most of the period (despite this being part of the cover under her policy). She's also unhappy at how she was treated, particularly from M. More Th>n recognise the delays in the repairs being carried out, apologising, and paying for Miss B's loss of the use of her vehicle.

Looking at what happened, it's clear there were significant delays in the repairs to Miss B's vehicle being repaired and returned to her. She reported the theft at the end of July 2022, but her vehicle wasn't repaired and returned to her until the end of November 2022, a period of four months. From the timeline of events, there were delays in appointing a repairer and then further delays in ordering and receiving the parts necessary for the repair. While there may have been issues with the availability and supply of parts, it seems clear the repairs took longer than they should have done.

I've also noted Miss B wasn't provided with a hire car for most of the period. Looking at the policy schedule she'd taken out guaranteed hire car upgrade cover (a higher level of cover than the standard guaranteed hire car cover). I've not seen the reasons why this was the case, but it's clear she didn't receive the benefit of the cover she'd taken out under the policy – even though More Th>n paid a daily loss of use sum.

Miss B also complains about the lack of communication and the attitude (particularly of M). From More Th>n's summary of the case, this appears to be acknowledged (it notes Miss B contacted them as she couldn't get hold of M). While More Th>n haven't responded to this point, as they haven't issued a final response to Miss B's complaint, I've no reason to doubt what Miss B has said, together with the impact it had on her.

Taking all these factors into account, I've concluded More Th>n haven't acted fairly and reasonably towards Miss B in how they handled her claim and the repairs to her vehicle.

Having reached this conclusion, I've thought about what More Th>n should do to put things right. While Miss B wasn't provided with a hire car, More Th>n have awarded a daily loss of use sum to recognise her not having her vehicle. Looking at More Th>n's case notes, they indicate payments of £288 (24 days in August 2022, at £12 per day) then £204 (17 days in September 2022). More Th>n say they awarded a further £672 (56 days from September 2022 to November 2022, the date the vehicle was repaired). While these dates and payments would seem to cover the period the vehicle was in for repair, allowing for a short

period where Miss B had a hire car, More Th>n should review the calculation of the loss of use payment, taking account of the exact number of days Miss B was without her vehicle (less those days she was provided with a hire car) and what they have already paid her. They should then pay Miss B any remaining balance.

Turning to the issue of compensation, I've first considered Miss B's request that she be refunded the excess payable under her policy (£350) along with the premium she paid under the policy for the time her vehicle was in for repair (and the Vehicle Excise Duty for the period). Having considered this, I've concluded it wouldn't be reasonable for More Th>n to refund (reimburse) Miss B for these things. I say that because Miss B would always have had to pay the policy excess, having made a claim. And this would have been the case even had there been no delays and the communication to the standard she could expect. Similarly, she would still have need to insure and tax her vehicle over the period. So, I don't think it reasonable to ask More Th>n to reimburse her for these costs.

I've then thought about the distress and inconvenience caused to Miss B from what happened. Given the sequence of events, together with what Miss B has said about the impact on her and her family over the period, I think she's suffered considerable distress, upset and worry, with significant distress and inconvenience, over a period of several months. Taking all the circumstances into account, I think £750 compensation for distress and inconvenience would be fair and reasonable.

### **My final decision**

For the reasons set out above, my final decision is that I uphold Miss B's complaint. I require Royal & Sun Alliance Insurance Limited trading as More Th>n to:

- Review the calculation of the loss of use payment, taking account of the exact number of days Miss B was without her vehicle (less those days she was provided with a hire car) and what they have already paid her. They should then pay Miss B any remaining balance.
- Pay Miss B £750 in compensation for distress and inconvenience.

Royal & Sun Alliance Insurance Limited trading as More Th>n must pay the compensation within 28 days of the date on which we tell them Miss B accepts my final decision. If they pay later than this they must also pay interest on the compensation from the date of my final decision to the date of payment at 8% a year simple.

Your text here

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss B to accept or reject my decision before 6 November 2023.

Paul King  
**Ombudsman**