

## **The complaint**

Ms P complains about One Insurance Limited's (One Insurance) handling of her claim following damage caused by a third party driving into her car, under her motor insurance policy.

## **What happened**

In October 2022 Ms P says a neighbour drove into her car whilst it was parked. The neighbour admitted fault for the accident. Ms P contacted One Insurance to make a claim. She says it took a long time for the appointed garage to take her car in to be repaired. Ms P wasn't provided with a courtesy car and her car was at the garage for around three weeks. This caused her great inconvenience getting to work and with other daily activities.

When her car was fixed Ms P says she had to pay the policy excess fee. She thought this would be returned within a few weeks, but says it wasn't returned until May 2023. Ms P says the repairs weren't of a good standard as the left side of the front bumper was no longer aligned correctly.

In its final complaint response One Insurance says a claim was first raised on 11 October 2022. But Ms P didn't initially want to claim until liability was established. Because of this it made initial contact with the third party. But says no action was taken to book Ms P's vehicle in for repairs until 2 November, when she instructed it to.

One Insurance says there was a delay in arranging the repairs until 15 November 2022. It says the provision of a courtesy car is subject to availability and isn't guaranteed. One Insurance acknowledges it didn't respond to Ms P's request for an alternative vehicle to be provided. It says the policy excess is always payable in the event of a claim against its policy. This is requested from the third party's insurer once One Insurance's costs are recovered.

One Insurance says it wrote to Ms P to explain the third party's insurer hadn't paid the costs it had incurred. This meant court proceedings had to be issued. It acknowledged Ms P was dissatisfied with this, but explains it was following its established process. One Insurance says Ms P's policy excess was returned to her on 15 March 2023. It apologised for its poor standard of service and paid £150 compensation.

Ms P wasn't satisfied with this outcome and referred her complaint to our service. Our investigator upheld her complaint. She says One Insurance should've made efforts to arrange an alternative when its garage didn't have a courtesy car. Because of this it should pay £10 per day for the time the car was at the garage.

Our investigator thought £150 compensation was fair for the delays and claim handling issues. But says Ms P must first complain to One Insurance about the standard of repairs, before our service can consider the matter. She says the policy excess fee is an uninsured loss that Ms P was required to pay. She didn't think One Insurance was at fault for the time taken by the third-party insurer to refund this amount.

Ms P accepted our investigator's findings, but One Insurance didn't respond. As an agreement wasn't reached it's been passed to me to provide a final 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'm upholding Ms P's complaint. Let me explain.

The claim records One Insurance provided show Ms P contacted it on 11 October 2022. The notes say she didn't want to proceed with a claim at that time but was looking to settle the matter privately. A few days later the notes refer to a webchat with Ms P. It says the chat ended before she explained what she wanted to do. I can see that images of the damaged car were sent to One Insurance around this time. Ms P then called on 18 October to say the third-party had admitted liability.

I can see from the claim records on 19 October 2022 that One Insurance's agent was waiting on a claim form from Ms P. She emailed five days later asking when the damage was going to be fixed. However, in its final complaint response One Insurance says it wasn't until 2 November that it was aware Ms P wanted this to happen. It then made arrangements for a garage to be appointed on this date.

Based on the notes it was reasonably clear on 24 October 2022 that Ms P wanted One Insurance to proceed with her claim. I think it could've appointed a garage around a week earlier than it did.

Ms P's car was booked in at the repairing garage on 15 November 2022. The records show she contacted One Insurance three days later to say the garage had sent an estimate for authorisation. I can't see from the notes when authorisation was provided. But an agent responded to Ms P to say the matter had been passed to its engineer to complete as soon as possible. At this time Ms P also highlighted that One Insurance hadn't responded to her request for a courtesy car, which as its garage didn't have one available was creating difficulties for her.

I can't see from the claim records when Ms P's car was repaired and returned to her. Although I note from her comments that this took around three weeks. Based on this evidence I think communication could've been better, and a repair should've been arranged sooner. I think it's reasonable for One Insurance to compensate Ms P for this.

I've thought about whether One Insurance treated Ms P fairly with respect to the provision of a courtesy car, whilst her car was being repaired. Its policy terms say:

*"If you have a Comprehensive policy and need the use of a car while your own is undergoing repair by one of our selected repairers they will provide you with a temporary replacement car - full details can be found in the Courtesy Car section of this policy (Basis of Settlement Sections 1 and 2)."*

The sections highlighted talk about the provision of a courtesy car not being guaranteed if a customer uses their own choice of repairer. This wasn't the case here. Ms P's car was fixed by the repairer One Insurance appointed. I note in its final complaint response that One Insurance says the provision of a courtesy car is subject to availability and is not guaranteed. But I can't see that Ms P's policy terms say this. The indication is that a courtesy car will be provided whilst repairs are ongoing.

I think One Insurance should've arranged to provide Ms P with a replacement car whilst hers was undergoing repairs. It acknowledges that it didn't respond to her request, which I agree, represents a poor standard of service. The garage didn't have a courtesy car available, but I think One Insurance should've made alternative arrangements. In these circumstances our service's approach is to award a loss of use payment calculated at £10 per day. We think this represents fair recompense where a customer has been caused inconvenience due to not having access to a car. Ms P describes difficulty getting to work and with other everyday activities. So, I think a loss of use payment represents a fair outcome here. This means One Insurance should pay Ms P £10 per day for the time her car was at the garage.

I've thought about Ms P's concerns that it took a long time for her policy excess to be returned to her. I can understand why this caused her frustration given that the accident was thought to be entirely the fault of her neighbour. But the policy excess is the first part of a claim that a customer is always liable to pay. It isn't linked to who is at fault for the claim. Essentially the policy excess is an uninsured loss. This means it's not One Insurance's responsibility to claim this back from the third-party's insurer.

From the claim records I can see that it took some time for the repair costs to be paid to One Insurance by the third-party insurer. The notes show that the business did actively pursue for payment and threatened legal proceedings when this wasn't done. I can also see that it asked the third-party insurer to provide Ms P with a cheque payment in respect of the excess fee she'd paid. So, I don't think One Insurance behaved unfairly here.

In her submissions to our service Ms P says One Insurance used the wrong address when responding to her complaint. I'm sorry she experienced a problem here, but complaint handling isn't a regulated activity, so it's not something I can comment on.

Finally, Ms P says the standard of repairs by One Insurance's garage isn't of a good standard. This has meant the bumper/wheel arch is out of alignment. I acknowledge what she says, but I can't see that this was raised as part of her complaint with One Insurance. The Financial Conduct Authority (FCA) dispute resolution or DISP rules say that we can't consider a complaint unless its first been raised with the business. If Ms P isn't satisfied with the response she receives, once she's made her complaint, or if One Insurance takes longer than eight weeks to respond, she can ask our service to consider the matter. But I can't consider this issue here.

Having considered all of this I don't think One Insurance treated Ms P fairly because of its delays and poor communication, as well as the lack of a response to her request for an alternative courtesy car. But I think its offer of £150 compensation is fair. The business should provide a daily £10 loss of use payment for the time Ms P's car was with its repairer. But I don't think One Insurance behaved unreasonably with respect to the policy excess fee.

### **My final decision**

My final decision is that I uphold this complaint. One Insurance Limited should:

- pay Ms P a £10 per day loss of use payment for the period her car was with its repairing garage.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms P to accept or reject my decision before 26 December 2023.

Mike Waldron  
**Ombudsman**