

The complaint

Miss B says Royal & Sun Alliance Insurance Limited ('RSA') didn't ensure that full repairs and checks were done on her car after she made a claim on her motor insurance policy.

What happened

All the background facts were set out in my provisional decision and are well known to the parties, so I'll just summarise them here:

- RSA's approved repairer ('garage B') had Miss B's car from February 2022 to June 2022 for repair. Miss B took it to a dealership garage ('BS') in December 2022 as she wasn't happy with the way it was driving. BS replaced the battery and on a second visit found some bolts were loose on the car's replaced subframe. Miss B took it back to garage B, but it said the only fault left to be repaired by it was a broken mirror.
- Miss B contacted RSA in January 2023, as she still wasn't happy with the repairs, and it instructed a firm of independent engineers. 'Engineer D' viewed the car, but he didn't inspect it. He relied on details provided by garage B and BS. He said BS had done safety checks and no further action was needed. When Miss B called BS, it wouldn't confirm or deny that it had done the checks. In a revised report, engineer D said BS had just confirmed the safety checks to him again and that garage B also thought the car was safe to drive. Miss B didn't accept engineer D's second report, especially as an employee of BS he said he'd spoken to couldn't be identified.
- In reply to her complaint, RSA paid Miss B £400 compensation for poor service, but it accepted engineer D's findings.
- One of our investigators reviewed Miss B's complaint. He thought RSA should pay her a further £100 for poor service. But he didn't think there was any evidence that the car wasn't safe to drive. Miss B pointed out that neither he, nor RSA, had noted that she was a vulnerable, disabled consumer in terms of the compensation offer.

The complaint was passed to me for review, and I issued a provisional decision, increasing the level of compensation to £800 in total. In summary, I made the following points:

Miss B's concerns

- RSA recognised that rectification of the repairs shouldn't have been necessary and that there were delays in the process. But I could see why she thought the offer of compensation was too low, as RSA didn't appear to have thought about the full impact of the situation on Miss B, given her disabilities and vulnerability. I noted that Miss B thought her life was in danger from June 2022 to December 2022 (after the loose bolts were found). Her extreme anxiety following that meant she couldn't drive the car, so she returned it to the disability car scheme she'd hired it from. But being without a car led to a lack of mobility for Miss B and hence a physical decline.

The car's roadworthiness

- Miss B said she took the car back to garage B during the six months after it was returned to her in June 2022, due to concerns about its performance. But garage B said it had no record of her having raised any concerns or of taking the car back during that time. I didn't think I could conclude that she was worried about its safety before December 2022 without evidence of it. And I noted that in December 2022, BS had tightened some bolts, but it didn't say the car hadn't been safe to drive previously - and it allowed Miss B to drive the car away. I thought BS would have told Miss B *not* to drive the car away, had it thought it was dangerous to do so.
- Regardless of whether the car was safe to drive, I thought it likely that the discovery of the loose bolts would have caused Miss B much more anxiety than it would have caused an average consumer, given her anxiety and mental health conditions.

The independent engineer

- Although RSA instructed a reputable firm of independent engineers to carry out a review, I could see why Miss D was upset that engineer D didn't examine the car, but relied on assurances from garage B and BS. I could also see why Miss B was concerned about that, as neither garage would confirm to her that it had carried out safety checks. However, I could see no reason why engineer D would have provided a false report (ultimately, his duty isn't to RSA, but to a court, should legal action ensue). So I thought it more likely than not that *someone* at BS (even if not the person he had named) told him the car was safe to drive when it left BS's premises.
- Despite the lack of evidence that the car wasn't safe to drive, I thought an average consumer would have been upset by engineer D's failure to inspect it - or to say why an inspection wasn't needed. I thought that decision (and his failure to obtain more evidence from garage B and BS after his first report was challenged) probably increased Miss B's existing anxiety about his approach and the car's safety.

Compensation

- The starting point in considering an appropriate level of compensation is the extent to which an insurer hasn't acted fairly or reasonably. It's then a matter of the impact on a particular consumer of its errors or omissions. In this case, I thought RSA could have done more to ensure that the independent engineer's involvement led to the resolution of Miss B's concerns. He didn't inspect the car - or explain why that wasn't needed - and he relied on verbal assurances from the garages concerned about their safety checks. I thought that was unusual, especially when Miss B was as concerned about safety as she'd expressed - and it may have made matters worse.
- I didn't think RSA had considered the full impact on Miss B of the discovery of the loose bolts, or of not having an independent, physical examination of the car, despite the specific concerns she'd raised with RSA. But I thought her expectations about the level of compensation due to her were unreasonable. She based them on her belief that the car wasn't safe to drive. Without evidence of that, I didn't think RSA could be expected to compensate Miss B for the danger she felt she'd been in. But I accepted that she'd become extremely anxious about what could have happened, and that RSA hadn't tried to manage that situation.
- I didn't think RSA was responsible for Miss B's drastic decision to stop driving the car and to give it up. And I didn't think the consequences that flowed from her decisions (compromised mobility, a weakened physical state, plus an injury) resulted from RSA's errors, or any unfairness on its part (nor were they reasonably foreseeable).

- I thought Miss B had a duty to minimise her losses, and that she could have taken advice before making her decisions about not driving any longer. I thought having an independent inspection of the car done could have resolved the safety concerns, but that Miss B didn't seem to have considered it.
- I was minded to conclude that RSA wasn't fully responsible for the situation Miss B found herself in, but it could have done more to assist her, given her disabilities and vulnerability. So I thought it should pay her a further £300 compensation for distress and inconvenience (£800 in total).

I asked the parties to comment on my provisional findings. RSA said it had nothing to add. Miss B made extensive comments, some of which only confirmed what she'd already told us. Briefly, she made the following main points:

- The evidence Miss B has of the car being unsafe for months is the discovery of the loose bolts. That meant she had driven the car for months when there was a risk of the engine falling out.
- Miss B became anxious when she realised the danger she'd been in, but no-one else would listen to her concerns. The independent engineer's review was unsatisfactory, and RSA wouldn't appoint anyone else, so she had no option but to dispense with the car. That didn't amount to drastic action on her part, as I'd suggested, given that she'd done all she could to resolve the issues first.
- In March 2023, when she returned the car to the scheme, it offered her a car with automatic transmission. Although that was what she'd wanted previously, by that point she couldn't even travel in a car as a passenger, let alone drive one.
- RSA should be held responsible for the great distress it has caused, which is continuing, and the events should be viewed through Miss B's eyes.

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.

Miss B's additional comments haven't changed my view of this complaint. RSA is being required to pay substantial compensation, although it isn't at the level Miss B thinks is appropriate. RSA had already accepted that Miss B was due £500 for poor service. The increase I've proposed is to make up for the fact that Miss B's disabilities and her vulnerability weren't taken into account. I think the impact on her of what happened (as opposed to that on an average consumer) was greater and should have been addressed.

In my opinion, the major issue is whether the car was safe to drive, and I don't think there's evidence to show it wasn't safe. RSA could have done more to reassure Miss B (especially given her concerns about the questionable approach of the independent engineer) but I think she could also have acted differently in some respects. Had she done so, the impact on her of what happened may have been reduced. In particular, I think she could have arranged an independent inspection of the car before deciding to give it up. I appreciate that her anxiety was extreme at the time, but it looks as though she didn't take advice about the options open to her - or discuss the possible consequences that might flow from no longer driving.

I know Miss B will be unhappy with my decision. I've tried to see the situation from her viewpoint, and I sympathise greatly with her, given the very difficult situation she's found herself in. But I also have to consider RSA's position. Taking everything into account, in my

opinion a total payment to Miss B from RSA of £800 compensation for distress and inconvenience would be a fair and reasonable way to resolve this complaint.

My final decision

My final decision is that I uphold this complaint. I require Royal & Sun Alliance Insurance Limited to pay Miss B an extra £300 compensation for distress and inconvenience (£800 in total).

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss B to accept or reject my decision before 12 December 2023.

Susan Ewins

Ombudsman