

The complaint

Mrs M has complained about her caravan insurer West Bay Insurance Plc because it caused delays in repairing her fire damaged static caravan.

What happened

Mrs M's caravan was damaged by a fire in June 2022. West Bay accepted a claim. But by September 2022 Mrs M was concerned that no repairs had been arranged. She noted she was losing access to the caravan – with her usually using it every weekend as well as each week during school holidays. West Bay apologised for delays to that date, paid £150 compensation and assured Mrs M that the claim would move forward.

By January 2023 Mrs M was further upset. The repairs had still not been finished. She was worried that her pitch fees were due again – she'd lost use of the caravan through most of the previous year following the fire and, as the new pitch year began, had no idea when she'd be able to use the caravan again. West Bay offered a further £150 compensation and assured Mrs M the repairs were then nearly complete, with just cleaning outstanding. Mrs M, returning the £150 cheque to West Bay, complained to the Financial Ombudsman Service.

Our Investigator felt West Bay had delayed the claim. She said it should pay a total of £500 compensation. West Bay agreed. Following some further discussions about Mrs M's use of the caravan and what she had done without access to it, our Investigator said West Bay should reimburse a holiday booking for a break Mrs M had taken in October 2022, and £300 as a loss of use payment.

Mrs M said she felt that was fair. West Bay agreed to reimburse the holiday booking with interest. But it didn't think it reasonably had to pay £300 as well. The complaint was referred for an Ombudsman's consideration.

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.

West Bay has accepted, in September 2022 and in February 2023 that it caused delays to this claim between July 2022 and January 2023. With it acknowledging that work was only authorised in October 2022 and it not managing that with the repairer such that by December 2022 it wasn't clear what was happening with the work. And I note that Mrs M spent a lot of time chasing West Bay, enquiring what was happening. So I only need to determine what is required to put things right for Mrs M.

Mrs M used the caravan most weekends, and during the school holidays. But with it being out of action she had to change her usual plans. That might be expected for a month or two whilst a reasonably managed repair programme was undertaken. But the delays in this claim meant the caravan was not fully repaired until after Mrs M brought her complaint to the Financial Ombudsman Service in January 2023. So her usual plans were disrupted for many months. And there was all the chasing Mrs M did in the meantime too. I accept there was

significant inconvenience and disruption for her. I'm satisfied that £500 is fair and reasonable compensation for upset. I understand West Bay paid £300 in total to Mrs M, but that she didn't cash £150 of that. It need only now pay what is owing.

I need to think though more specifically about the loss of use of Mrs M's caravan. She had a cost for a holiday booking in October 2022. I understand this was booked because her caravan wasn't available. West Bay has agreed to reimburse that, plus interest. I think that's fair. But I also think it's fair that a more generalised loss of use payment is made to Mrs M. Mrs M pays ground rent each year which enables her to use her caravan. But during the latter half of 2022 particularly and into 2023, she wasn't able to benefit from that rental cost. And I don't doubt that she would have been using her caravan most weekends if West Bay had repaired it in a reasonably timely manner. I think £300 is fair compensation for loss of use in the circumstances here.

Putting things right

I require West Bay to pay Mrs M:

- £500 compensation for distress and inconvenience, less any amount already paid by it, where such was paid by cheque, where that sum has been cashed by Mrs M.
- £219, as reimbursement of the cost of a holiday, plus interest* from the date the holiday was paid for until settlement is made.
- £300 compensation for loss of use.

*Interest is at a rate of 8% simple per year and paid on the amounts specified and from/to the dates stated. HM Revenue & Customs may require West Bay to take off tax from this interest. If asked, it must give Mrs M a certificate showing how much tax it's taken off.

My final decision

I uphold this complaint. I require West Bay Insurance Plc to provide the redress set out above at "Putting things right".

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs M to accept or reject my decision before 5 December 2023.

Fiona Robinson
Ombudsman