

## **The complaint**

Mrs D complains about the quality of repairs arranged by QIC Europe Ltd (QIC) following an accident when driving her car, under her motor insurance policy.

## **What happened**

Mrs D was involved in an accident whilst driving in March 2022. QIC accepted her claim and arranged for repairs to be carried out. Mrs D says the car wasn't repaired to a good standard and had to be returned on five occasions. She says further damage occurred whilst the car was with QIC's repairer.

Mrs D says she had a ceramic coating applied to her car in 2020. This requires monthly maintenance/inspections in line with the warranty. She says due to damage caused by QIC's repairer her car needs to be completely repainted. This must be done prior to a new ceramic coating being applied.

In its final complaint response QIC acknowledges the repairs weren't of a satisfactory standard. It says several attempts were made to resolve this, following which its in-house engineer inspected the repairs in July 2022. A number of recommendations were made at this time for further work. Another attempt at rectifying the issues was attempted but Mrs D wasn't satisfied with the condition of the car.

An independent engineer was arranged to inspect the car in September 2022. QIC obtained a quote from a different repairer to complete the work the engineer had specified. It says Mrs D didn't agree to any further repairs unless it agreed to repaint the whole vehicle. QIC says it couldn't agree to this, as it would mean rectifying damage caused by wear and tear.

QIC says Mrs D accepted its cash in lieu payment, to arrange for the repairs herself. Albeit she wanted a higher payment for a full repaint and for additional work to be carried out by her detailer. QIC apologised for delays in obtaining reports during Mrs D's claim and offered her £150 compensation for the distress and inconvenience this caused.

Mrs D didn't think QIC had treated her fairly and referred the matter to our service. Our investigator upheld her complaint. She says Mrs D's car had a ceramic coating applied prior to the accident. Her detailer has advised the coating can't be reapplied, and the car returned to its pre-loss condition, unless the car is repainted.

Our investigator says that to ensure QIC indemnifies Mrs D for her loss in full, it must pay for the car to be repainted, so that the ceramic coating can be put back on. She says Mrs D should provide three quotes and QIC can cash settle based on the lowest. She says QIC should also pay Mrs D £500 compensation for the inconvenience she was caused.

Mrs D didn't agree. She thought additional damage had been caused by QIC that should be included in the claim. QIC didn't think it should pay more than it had previously offered based on the work the independent engineer specified. It also says £500 compensation is too high.

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

I issued a provisional decision in October 2023 explaining that I was intending to partially uphold Mrs D's complaint. Here's what I said:

*provisional findings*

*Having done so, my intention is to uphold Mrs D's complaint in part. I'm not going to require the repairs she requested, which I understand will be disappointing for her. But I'll explain why I think my decision is fair.*

*I won't comment on each and every point from the extensive correspondence exchanged between the parties here. I'll focus on the key points relevant to my decision. But I have considered all the information.*

*Mrs D's car was returned for rework on five occasions. I don't think she should reasonably expect this from a professional garage appointed by QIC. It's clear from the photos and reports provided that there were a number of issues with the repairs. This includes ill-fitting panels, where the gap width is uneven and there are defects with the paintwork. I don't think it's reasonable to take multiple attempts to put this right.*

*I've read the independent engineer's report, which is dated 20 September 2022. The engineer specified the following rectification work:*

- "1. Panel alignment – panels to be removed, and front end checked for unseen damage, and panels refitted properly and gapped according to the [industry standard] panel gap guides*
- 2. paint rubbed through on r/h/f wing next to door edge – the r/h/f wing to be repainted and door blend if required.*
- 3. cleanliness of the vehicle after repair – once the repairs have been completes [sic] the vehicle has to be cleaned properly.*
- 4. bonnet bolts not touched up – all bolts removed or loosened for the original repair must be checked and touched up if required.*
- 5. holes where bonnet has been hung to be painted not touched up – We would suggest the complete underside of the bonnet to be repainted."*

*QIC based its cash payment on the repairs specified here. It says it also included the cost of applying the ceramic coating within this payment.*

*Mrs D has provided information from the detailer she used to apply the ceramic coating. I understand from this that he inspected the car on each occasion it was returned to Mrs D from QIC's repairer. I've read what he says. The detailer provides an explanation of the work he considers necessary to return Mrs D's vehicle back to its pre-collision standard. He explains that he photographed the car under a "5000k lighting system within a detailing studio". He lists eleven issues that remain with the car.*

*In his email the detailer says there are a number of areas that he wouldn't be able to rectify to Mrs D's standards. He says this is because the damage is irreparable and he refers to, "burn through, bumper alignments and RDS [random deep scratches] around the vehicle that were through the clear coat, colour coat and primer into the plastic or metal substrate".*

*I've copied the detailer's summary below:*

*"This vehicle left the factory went [sic] built and would have been sprayed by robotic arms meaning a very consistent amount of paint was laid on the vehicle with a consistent texture within the paint also known as orange peel. The vehicle has then underwent extensive paint correction to remove all defects from the clear coat whilst leaving the texture within the paint*

and was finally protected with state of the art nano coatings to take the vehicle to the clients desired standard.”

And:

*“The vehicle now sits in a state whereby by there is no continuity of the paint system meaning some areas have around 90 microns of paint remaining on the panels and some painted panels are sitting at 300 micron. This in turns means there is a major inconsistency of texture within the paint at this time. This can be rectified to a point with wet sanding prior to paint correction being carried out however it will not be possible to get the car back to pre accident levels of consistency and continuity without being painted by a competent bodyshop before arriving back with myself.*

*The third and final reason why the vehicle should receive a full respray is due to most of the vehicle having damage that it did not before the collision took place. The only panel that has no damage from previous bodyshop work is on the roof however it would be extremely unprofessional and counter productive to respray a full vehicle and leave the roof untouched. This would mean the full vehicle would have around 300 microns of paint after the respray however the roof would remain at 90 microns and again have differences in texture between painted and unpainted panels. The roof would then be open to the paint system failing long before the rest of the vehicles paint due to degradation over time. Degradation would be stopped by the application of the nano coatings however for continuity and peace of mind for the client my recommendation would be a respray of the full vehicle for it to return to pre collision standards before I can finally take the car back to the clients personal standard.”*

*We asked QIC for it to reply to Mrs D’s detailer’s comments. It provided a response from its in-house engineer. It says he has an expertise in vehicle painting and extensive qualifications and experience. I’ve copied relevant excerpts from the engineer’s response below:*

*“..the Manufacturers paint application process is indeed by Robot but this does not ensure a guaranteed uniform paint depth across a vehicle body shell. The original paint depths across a new vehicle can be anything from 60-180 microns depending on the orientation of the panel. Horizontal panels such as a roof or bonnet generally have a thicker paint film, whereas the vertical panel such as a door will have less paint applied. This stands to reason due the run or sag risk, which will be lesser on a flat panel and greater on a vertical panel.”*

*“Any vehicle that has had a body repair will, without exception have a greater paint thickness than a vehicle straight from the Factory as any additional coatings will increase the paint film. It should also be pointed out a vehicle painted in the factory is coated as bare body shell with no other components added. The Manufacturer use a high bake paint product which as the name suggests is baked at temperatures in excess of 100 degrees, which would melt any components if they were fitted prior to this operation. The body repair industry use a low bake paint product which is baked at an air temperature of around 80 degrees (panel temperature of around 60 degrees). Basically, this means no vehicle that has had at the least a paint repair will be exactly as it was when it came from the factory and in fact, many vehicles supplied as new have already had a paint rectification before being supplied and registered. Panels that require a repair can be repaired using body filler which is an industry approved repair method, which will also increase the readings of the repaired surface over that of the factory. If a ruling were to be made in this case, and stood as a president, it could have an adverse effect on the whole industry as vehicles could never be returned to the factory standard in the true sense.”*

*“The Vehicle Detailer is, I believe, referring to very minor surface marks which he seems to be holding the original Bodyshop accountable for (with no just cause in our engineers*

*opinion) that were identified under artificial lighting that no UK Bodyshop holds. We disagree with the statement it would be un-professional and counter productive by not painting every panel on the vehicle. If this argument was correct every vehicle that received some form of paint damage would be fully resprayed, rather than just the affected parts being addressed. If we are to be held responsible for painting the roof as well as the all the other panels that aren't justifiably damaged to the extent they must be painted then surely, this is betterment and not just re-instating the Policy Holders Vehicle to its pre-accident Condition".*

*"Having read the application guide for [manufacturer's name] Infinite coatings, after decontaminating the paintwork from road film and tar spots it is recommended one step of paint correction to improve the gloss and remove defects. This would essentially be by flattening the surface with 1500 or 2000 Fine or ultra fine sanding materials and then machine polishing the surface back to full lustre. In my opinion the panels not already subject to discussion would lend themselves to the method of correction."*

*"...I am confident [the detailer] advised in an earlier report that even if a competent Bodyshop remedied the paint defects reported by the Insured he would still need to carry out the paint operations prior to his application of the new coating."*

*"I don't believe [Mrs D] will accept any less of a solution based on the recommendations of her Vehicle Detailer. If we should be held responsible for the damage allegedly caused by the Original Repairer (Appointed by Us) ie the right hand rear door and rear bumper this would still not constitute a full respray. The full front end required rectification paintwork along with the right hand front door, all of which was covered in the cash settlement already made. Including the rear door and bumper this would still leave the tailgate, roof, left hand quarter panel and both left hand doors given if the rear door was painted this would inevitably require the right hand quarter to be included for blend purposes. [detailer] had previously advised the remaining panels could be restored to the level he required with detailing on his part. Does this not provide evidence the full respray wouldn't be necessary?"*

*"The Paint coating applied to the vehicle was not declared at the inception of the policy despite [Mrs D] commissioning this work. Any addition to a vehicle since it left the Factory would be considered a modification. Had this paint coating been declared at inception the policy would have likely been rejected as this is not covered under the QIC policy. Whilst I accept the repairs were not completed to a satisfactory standard, the cash settlement awarded was fair and reasonable.."*

*I've carefully considered what the detailer and QIC's engineer have said. Having done so I'm more persuaded by the engineer's view. I think a cash settlement to cover the repairs identified by the independent engineer is a fair resolution here. This allows Mrs D to use her own choice of garage to carry out the remaining repairs.*

*We expect an insurer to arrange an effective and lasting repair. Based on the evidence provided, this is what the independent engineer proposed, based on accepted industry standards and practices for repairing accident damaged cars.*

*I think QIC makes a fair point when it says Mrs D has modified her car by adding the ceramic coating. This increased the cost involved when repairing the damage caused by the accident. Mrs D didn't inform QIC of this. I note its engineer's comment that the policy would likely have been rejected if she'd have declared this modification. I haven't seen QIC's underwriting criteria to support this point. But I do think this is something an insurer would expect to be told about prior to a policy incepting. Particularly given the impact this has on the cost of the claim.*

*As it stands QIC has agreed to pay for a ceramic coating. I think this is reasonable. But*

*based on what its engineer says, I'm not persuaded that it's necessary to repaint the car, in full, in order to achieve an acceptable standard of repair. QIC's engineer is essentially saying that Mrs D and her detailer are demanding a standard of finish that is way in excess of that which is required or expected from a competent accident repairer. I find this view persuasive based on the explanations provided by the engineer. Although I think it's reasonable that QIC has decided to include the ceramic coating in its cash payment to Mrs D, I don't think it's responsible for paying for the work her detailer says is necessary.*

*I've seen the scope of repair work on which QIC based its cash settlement to Mrs D. This includes the cost of detailing and the ceramic coating. In total the payment came to £3,697.48. I think this payment was fair, so I won't ask QIC to increase it.*

*I acknowledge Mrs D's view that there are scratches caused by QIC's repairers that haven't been addressed. But this wasn't identified by the independent engineer during his inspection. I think it's fair that the cost of the remaining repairs is based on the defects set out in the independent engineer's report.*

*I've thought about the impact all of this has had on Mrs D. QIC's repairer has clearly failed to complete the repairs to an acceptable standard. Five attempts to remedy the situation is excessive, and more work is still needed. I've no doubt that this has caused Mrs D a great deal of inconvenience. However, I think the matter could've reasonably been resolved at the point QIC paid Mrs D its cash settlement on 17 February 2023. So, although I think QIC should compensate Mrs D for the inconvenience, I think a payment for £350 represents a fair outcome here.*

I said I was intending to partially uphold this complaint and QIC should pay Mrs D £350 compensation.

I asked both parties to send me any further comments and information they might want me to consider before I reached a final decision.

QIC responded to say it accepted my provisional decision.

Mrs D responded at length to explain why she felt my decision was unfair. I won't be commenting on every point she makes in her letter. A large part of what she says is a repeat of the information I've already considered and commented upon in my provisional decision. I have read her letter in full, but I'll focus on those points I think are relevant here.

In brief, Mrs D says QIC's repairer was responsible for causing further damage to her car, and so it should be responsible for ensuring it's returned to the condition it was in prior to her claim. She says owning a car like hers is not easy and requires stringent care and maintenance work. She highlights how the car cannot be washed with a sponge, as this will cause swirl marks. She says if on her daily inspection she found bird excrement or tree sap present, she would remove it without delay.

Mrs D says the car cannot be washed during a service as even this could have a catastrophic result on paintwork and degradation in the performance of the ceramic coating.

After her accident Mrs D says she was convinced her car would never be recoverable to the identical standard it had been previously. But on discussion with her detailer, she was deeply relieved when he told her the condition could be recovered. Mrs D says she was surprised when QIC agreed to cover the cost of the ceramic coating. And at no time was she told this was a modification to her car.

In her letter Mrs D reiterates her account of finding damage unrelated to the accident

following the repairs. And highlights the five occasions when the car was returned for remedial work.

Mrs D says QIC's engineer has given a generalised account. She says his comments that our service would set a precedent by upholding her complaint that would adversely affect the industry, are dramatic and exaggerated. She says its entirely inappropriate for the engineer to use scare tactics to persuade our service not to uphold her complaint.

Mrs D refers to my provisional decision that says, "*and more work is still needed*". She says this is confusing and implies a full respray is still required as she indicated.

### **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.

I've carefully considered Mrs D's further comments. But I'm not persuaded to change my findings.

As I explained in my provisional decision, QIC is expected to provide a lasting and effective repair. Based on the evidence I've seen this is what the independent engineer proposed, based on accepted industry standards and practices for repairing accident damaged cars.

I note Mrs D's comments that she wasn't told the ceramic coating was a modification. But I think its engineer's comments are persuasive that this is a modification. I think it was reasonable for QIC to pay for a replacement ceramic coating. But I don't think this was necessarily something it was required to do under the terms of its policy.

I understand Mrs D's view that it's incumbent on QIC to return her car to the standard it was in before the accident. But I think QIC's engineer's comments are fair, that Mrs D and her detailer are demanding a standard of finish that is way in excess of that required from a competent accident repairer. I think it's reasonable it decided to include the cost of the ceramic coating. But I think the settlement payment based on the repair costs, identified by the independent engineer, to allow Mrs D to arrange the remaining work herself, was fair.

I note Mrs D's reference to my comment in the provisional decision that, "*work is still needed*". When writing my provisional decision, I didn't think it'd been made clear that Mrs D had arranged for the final repairs to be completed. This is why I said more work was needed. I wasn't inferring that a full respray was necessary. I'm sorry if this confused Mrs D but this doesn't impact on my findings.

I'm sorry Mrs D is disappointed with my decision, but I'm not persuaded by what she says in her further submission that a different outcome is warranted. So, my final decision is the same as my provisional decision and for the same reasons.

### **My final decision**

My final decision is that I uphold this complaint in part. QIC Europe Ltd should:

- pay Mrs D £350 compensation for the inconvenience it caused her.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs D to accept or reject my decision before 13 December 2023.

Mike Waldron  
**Ombudsman**