

## **The complaint**

Miss T complains Highway Insurance Company Limited's responsible for damaging her motorhome.

Highway's been represented for the claim by an approved repairer (AR). For simplicity, at points, I've referred to the AR's actions as being Highway's own

## **What happened**

In February 2022 Miss T claimed against her Highway motorhome insurance policy. The bathroom window of her motorhome had been damaged. Highway's AR took possession of the motorhome soon after.

Miss T complained about the time Highway was taking to deal with her claim. She referred that complaint to this Service. In June 2023 a different Ombudsman issued a final decision requiring Highway to reimburse her the cost of hiring a replacement motorhome for two weeks plus £750 compensation for distress and inconvenience.

Miss T also had concerns about Highway causing additional damage to her vehicle. Miss T hadn't raised them with the insurer. So they weren't considered by the first Ombudsman. Instead I've done so in this provisional decision.

As a summary - In November 2022 the window repair was completed. She was unhappy with the condition of the motorhome. So she made a further complaint to Highway. She felt it was responsible, primarily by storing the vehicle outside, for a variety of additional damage picked up by an MOT. This includes damp damage in the bathroom, seized brakes, corrosion and a carpet stain.

Miss T was also unhappy with the replacement window. She felt it didn't match the motorhome's other windows – and, inappropriately for a bathroom, had clear glass. She said she couldn't afford to deal with the various problems, so would have to sell the motorhome for a loss.

This Service provided Highway with an invoice for the MOT related repairs. In response it offered to reimburse Miss T for the brake repairs – accepting that was likely caused by the vehicle standing for a long period. It didn't agree to cover welding work required for corrosion.

Our Investigator felt Highway's position on the brakes and corrosion was fair. However, she recommended it reimburse the cost of repair or replacement of a pump, cover the cost of putting right damp associated damage and pay the costs of Miss T sourcing an alternative window in the same tint. She added that if Miss T couldn't find a suitable tint Highway should contribute towards the cost of replacing the remaining windows with a matching set.

Neither Highway nor Miss T accepted that outcome. So the complaint was passed to me to decide. Miss T was unhappy the corrosion repairs wouldn't be reimbursed by Highway. She

said she would like the motorhome written off. Highway didn't agree it should pay for any damp related damage. Neither did it accept contributing to replacing the remaining windows.

I issued a provisional decision. As its reasoning forms part of this final decision, I've copied it in below. In it I explained why I didn't intend to require Highway to write off the motorhome or cover the cost of replacing a water pump. And I set out why I did intend to require it to reimburse Miss T £175 for the brake repairs, pay her £950 for the matching windows and damp issues and £250 compensation. Finally I invited both to provide any further comment or evidence they would like me to consider before issuing this final decision.

### ***What I've provisionally 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.*

*As this is an informal service I'm not going to respond here to every point or piece of evidence Miss T and Highway have provided. Instead I've focused on those I consider to be key or central to the issue. But I would like to reassure both that I have considered everything submitted.*

*I've considered if Highway's handling of the claim can be fairly said to have caused additional and unnecessary damage and – where I feel it has – what it should do to put things right for Miss T.*

*Highway's offered to reimburse the cost of the brake repairs. So I don't need to consider if it was responsible for that issue. However, to avoid any dispute over the amount to be reimbursed I intend to set a figure.*

*The relevant invoice includes other items or repair work. Against a total of £329, considering the other works, £175 seems a fair amount to apportion to the brake repairs. Miss T has unfairly been without those funds. So Highway will need to add simple interest, at 8%, from the date of the invoice to the date of settlement.*

*Turning to the corrosion. Highway pointed out corrosion was found during an MOT prior to the loss. Miss T said that corrosion was repaired. I've considered her comments on the possibility of corrosion being held at bay by the vehicle being stored indoors or maintained correctly.*

*Even accepting the difficulty with sourcing a replacement window Highway did take significantly longer than would be usually expected to complete repairs. And it did store the motorhome outside and uncovered. But considering the age of the motorhome and its history of corrosion I can't fairly find Highway responsible for the latest episode of corrosion. It seems most likely to be an ongoing existing problem. So I'm not going to require it to reimburse the cost of the corrosion related repairs.*

*For me to require Highway to cover the cost of replacing the carpet I'd need to be persuaded it probably caused the damage. All I've been provided with is a photo of a stained area of carpet – and Miss T's account that she unsuccessfully tried to clean it. I accept it's possible the stain happened when the vehicle was in the care of Highway. But it's also possible the stain was there before Highway had possession – but Miss T wasn't aware of it. Ultimately, I haven't seen enough to persuade Highway is most likely responsible for the stain. So I don't intend to require it to cover the cost of replacing the carpet.*

*Miss T isn't happy with the replacement window. She accepts the window can be tinted for privacy fairly easily. However, she says the frame will still be a different colour to the others on the motorhome.*

*I expect insurers to make a lasting and effective repair. I'm satisfied Highway made reasonable efforts to find a matching replacement. However, it reports the exact window is no longer available. I don't find this surprising, considering the age of the motorhome.*

*The new window's frame is of a slightly different style and colour to the existing windows. Its glass isn't tinted like the others. So I can understand Miss T's frustration with it – her motorhome hasn't been returned to the condition it was before the loss. So she feels there hasn't been an effective repair.*

*Generally our approach in these situations is to require the insurer to pay 50% towards the cost of replacing the rest of the set. The insured can use the funds as a contribution towards paying for a full matching set. Alternatively they can retain the funds as compensation for loss of match or loss of enjoyment.*

*I've considered simply requiring Highway to pay a 50% contribution. But I feel that may not provide a clean resolution to the complaint. First, it's not clear if the style of window, provided by Highway, is available in the sizes required for the remaining windows. If Miss T found it wasn't it would leave the complaint unresolved.*

*So to bring matters to a clean resolution I instead intend to require Highway to pay Miss T a set amount. She can then use this as compensation for any loss of value, loss of enjoyment of matching set – or alternatively, if she wishes, she can use it as a contribution towards a full matching set of windows.*

*There's no scientific method for me to calculate an appropriate amount. So I've used the limited information available to me. As far as I'm aware, from researching the model of motorhome, there are four additional windows of varying sizes – two on the sides, one at the rear and one above the windscreen.*

*In addition I've undertaken some brief research of possible costs using internet sites. Having done so, total replacement costs appear to be in the region of £1,200. So £600 would seem a reasonable amount to pay as a 50% contribution. I will however consider any additional information provided by Miss T and Highway in response.*

*According to Miss T the replacement window leaks. Highway says it's AR inspected the window and considers it to have been fitted correctly. The AR feels the leak is the result of a failed body seal. Miss T hasn't provided supporting evidence to persuade me of a window leak. So based on what I've been provided with so far, I can't say there is most likely a problem with the fitting of the window.*

*Miss T says Highway is responsible for damp damage in the bathroom. She says it didn't store the motorhome inside as agreed – and failed to ensure her temporary window repair remained in place. This, she feels, allowed water ingress. She's provided a few photos of what looks like damp staining to the bathroom wall. She's also referred to mushroom growth – but hasn't provided photos.*

*Highway says the damp was caused by the failed body seal referred to above. It's provided a distant and helpful photo of the area of the seal.*

*On this issue I'm persuaded by Miss T's testimony. Highway hasn't denied the motorhome was stored outside without adequate protection around the bathroom window. I think it's likely in that condition, during late winter and spring, there will be some problems with water ingress and damp.*

*So I intend to require Highway to take steps to put this right. Miss T has been asked to provide a cost for repairing the damp staining. Unfortunately she failed to do so. So, again to avoid continued dispute, I intend to set an amount for Highway to pay Miss T.*

*The photos do show a limited area of damp staining. I can't easily provide a rough estimated cost - unlike with the windows. So in the absence of anything else I intend to require Highway to pay Miss T £350 for this issue. Again she can use this to repair the damp staining. Alternatively she could use it to offset any loss of enjoyment or value. I will consider any further information on costs or otherwise on this point before issuing a final decision.*

*I don't intend to require Highway to reimburse Miss T the cost of a replacement water pump. She's explained the existing pump was damaged by a water tank not being emptied. She says as the weather warmed the water expanded and contracted. She says this caused corrosion of the pump and pipes.*

*Highway doesn't accept Miss T's explanation. It says there's a chance the parts were 20 years old and so had experienced long-term wear and tear. It says there's no expert evidence to support Miss T's theory. In addition it says she had a responsibility to drain the water tank.*

*Having considered both positions I don't intend to require Highway to reimburse the cost of the water pump. There isn't enough for me to find it should have emptied the water tank – and that it not doing so, combined with its delay, was most likely the primary cause of damage to the pump.*

*Miss T suggested the motorhome being written off. I'm not going to require Highway to do that. I realise she's frustrated. But I've only found it to be responsible for a few relatively minor issues – in contrast to the value of the motorhome. So writing it off wouldn't be a proportionate action.*

*I've found Highway to be responsible for some additional damage. That damage is likely to have caused Miss T some unnecessary distress and inconvenience. For example, arranging the damp repair will deprive her of use for a period. To recognise this I intend to require Highway to pay her £250 compensation.*

Highway didn't provide a response to the provisional decision. Miss T sent in various information to dispute some of my findings. That included additional evidence about the likely cost of replacement windows. Having considered that I explained to both her and Highway that I now intended to require the insurer to pay £1,250 as a contribution towards matching windows. I said she could use that as compensation for loss of value resulting from the non-matching windows, or for loss of enjoyment or alternatively, if she wishes and finds it to be possible, as a contribution to a full matching set of windows.

I was also provided with a recent photo of the replacement window and surrounding area. Having compared that to an earlier one I concluded it seemed likely, from the growth of damp staining and its location, that there's a problem with the fitting of the replacement window. I said it seemed likely there's a leak around it causing damp staining to the interior.

So I said Highway's failure to make an effective repair has resulted in significant damage in the form of damp staining. I had awarded £350 for damp caused by the motorhome being stored without adequate protection. I explained I now considered Highway responsible for much more extensive damage.

In the absence of actual repair costs I said I now intended, as a practical step to resolving the complaint, for Miss T to have the choice of Highway arranging and paying for its repairer to resolve the leaking window and the interior damp staining - or to accept £2,500 as a cash settlement. I said she could use that to arrange repairs or to compensate for any loss of value or enjoyment.

Miss T made comments on other aspects of the provisional decision. I considered those but said I didn't intend to change my position on anything else. So I still intended to require Highway to pay £175 towards brake repairs and £250 compensation.

Highway didn't provide a response to my updated proposal. Miss T said she had, since I had issued it, sold the motorhome. As a result I was required to again amend my proposed resolution. I considered the limited available market value evidence, I said I was satisfied the motorhome's value, without the damp and non-matching window, would likely have been higher than the £4,700 Miss T received. So I said I considered she had suffered a loss because of Highway's poor handling of the repairs.

So I said I felt it fair for Highway to contribute towards that loss in value resulting from the leaking non-matching window and the resulting damp staining. I'd already proposed settlements for those two issues – they included an intention to possibly compensate Miss T for loss of value. I said for reasons of practicality and to try to finally bring this complaint to a resolution I intended to stick with those figures. So I said I intend to resolve the complaint by requiring Highway to pay Miss T:

- £2,500 to compensate her for loss of value related to the damp staining,
- £1,250 for loss of value resulting from non-matching windows,
- £175 to reimburse her for the brake repairs and
- £250 compensation for distress and inconvenience.

### **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.

Highway provided a response to my last updated proposal. It asked for clarification of my intended redress. Miss T didn't respond. So I haven't been provided with any reason to change my latest proposal.

### **My final decision**

For the reasons given above, I require Highway Insurance Company Limited to pay Miss T:

- £2,500 to compensate her for loss of value related to the damp staining
- £1,250 for loss of value resulting from non-matching windows
- £175 to reimburse her for the brake repairs (simple interest at 8% must be applied from the date she paid the invoice to the date of settlement\*) and
- £250 compensation for distress and inconvenience.

\*If Highway Insurance Company considers it's required by HM Revenue & Customs to deduct income tax from that interest, it should tell Miss T how much it's taken off. It should also give her a tax deduction certificate if she asks for one, so she can reclaim the tax from HM Revenue & Customs if appropriate.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss T to accept or reject my decision before 11 July 2024.

Daniel Martin  
**Ombudsman**