

## **The complaint**

Mr V complains Haven Insurance Company Limited handled his taxi insurance claim poorly. Haven's been represented by an agent for the claim. For simplicity I've referred to the agent's actions as being Haven's own.

## **What happened**

In June 2023 Mr V claimed, for damage to his taxi, against his Haven taxi insurance policy. The claim was accepted. In August 2023 the car was repaired by Haven's approved repairer (AR) and returned to Mr V.

Mr V expressed, to Haven, his dissatisfaction with its handling of the claim. He wasn't happy with the standard of repair to a door. He asked that an alternative repairer, rather than the original AR, put things right. He said the AR had caused a two-month delay resulting in significant financial loss for him. He said the AR had been misleading about the cause of delay. It had said the delay was the result of a shortage of parts. However, Mr V said his car's manufacturer had confirmed to him the required parts were available. He considered the delay to have actually been caused by the AR taking five weeks to order the parts. To resolve his complaint he asked that Haven compensate him for losses.

Haven issued a complaint response in December 2023. It said delay had been unavoidable. It's said the AR's explanation was correct. Haven said there had been a short delay due to staff shortages after the parts had been delivered. Haven accepted further work was required to a door and fuel cap on the car. It said as the relationship between Mr V and its AR had broken down it had looked for, and eventually found, an AR to complete that work. Haven did apologise for any distress and inconvenience involved but didn't offer any financial compensation.

Mr V wasn't satisfied with Haven's response. He referred his complaint to the Financial Ombudsman Service. He asked that the financial and emotional impact on him, of Haven's avoidable delay, be considered. He asked for his car to be repaired to a suitable standard. Our Investigator considered, under this complaint, events up until Haven's December 2023 complaint response. Events beyond that are being looked at by this Service in a separate complaint.

For this complaint the Investigator felt Haven was responsible for around one week's avoidable delay – that was the period when repair was delayed due to the AR being short staffed. She recommended Haven consider reimbursing, for that period, any loss of earnings Mr V can evidence. The Investigator wasn't persuaded Haven was responsible for any other avoidable delay up to the initial attempt at repair. But she noted that hadn't been an effective repair. She considered that had caused Mr V unnecessary trouble and upset. She recommended Haven pay him £350 in recognition.

The Investigator's assessment didn't resolve the complaint, so it was passed to me to decide. In line with the Investigator I've considered events up until early December 2023. Mr V's concerns with events beyond then are being addressed in a separate complaint.

## **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.

As this is an informal service I'm not going to respond here to every point or piece of evidence Mr V and Haven 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'm satisfied any delay up until delivery of the required parts was likely unavoidable and outside of Haven's control. I say that having listened to a recording of a call with the parts supplier. It said one of the required parts was on back order for a long period. It supports Haven's and its AR's explanation.

Mr V wasn't provided with a courtesy, or other alternative, car during the claim. His policy terms state the cost of alternative transport or loss of profit isn't covered. I don't consider the delay, caused by the shortage of parts was so significant or foreseeable that Haven should have provided a courtesy or hire car outside of the policy terms. And Haven's said it wouldn't have been possible to undertake a temporary repair. So I'm not going to require Haven to pay any compensation or reimburse any financial loss for that period of unavoidable delay.

There was a delay for around a week following receipt of the parts. That was caused by a staff shortage at the AR. Considering the avoidable delay Mr V had already experienced it would have been reasonable for the AR to have prioritised the repair. If it hadn't delayed Mr V would likely have had his taxi returned to him around 10 August 2023 rather than 17 August 2023. So it would be reasonable for Haven to reimburse him for loss of profits for 11<sup>th</sup> August to 17<sup>th</sup> August 2023.

So far Mr V hasn't provided persuasive evidence to support a loss of profit for that period. That means I'm not going to award a set amount here. But I'm going to require Haven, if he can show reasonable evidence of loss of profit in early August 2023, to cover his loss for a one-week period. It should also add simple interest to make up for him being without the funds.

Mr V said he experienced discriminatory language from the AR's manager. The AR denied this. Mr V hasn't provided further detail of the incident. Neither has he provided evidence, he said was available, to support his position. Without further detail or evidence I can't fairly find it most likely happened.

It's accepted the original repairs required rectification. Fortunately it seems the car was usable so there's no loss of profit to consider. Haven initially suggested the car be returned to the original AR for the problems to be put right. It's reasonable for an insurer to allow the original repairer an opportunity to rectify any mistakes or complete work it's overlooked. Mr V didn't want the car being returned to that AR – in part at least because of the discrimination he said he'd experienced. That resulted in a delay to rectification work as Haven, understandably, found it difficult to source another AR willing to take on the job of rectifying another's incomplete/poor work.

It was reasonable of Haven to try to find another AR to satisfy Mr V. But for the reason given I can't say Haven was responsible for the delay resulting from the difficulty in finding one. It was ultimately Mr V's decision that a different AR be used. A complaint, from Mr V, about the performance of the second AR forms part of his subsequent complaint. So I'm not considering that second AR's actions here.

Mr V said, due to the poor repair, he was unable to sell his car and replace it with one that would reduce his costs. I'm not going to require Haven to cover any loss for this. The extended delay seems primarily due to Mr V's wish not to use the original AR. As he hasn't persuaded me, due to its attitude to him or other reason, that it wouldn't have been reasonable for it to be allowed an opportunity to try to rectify the issues.

The Investigator recommended Haven pay Mr V £350 compensation. That was to recognise the avoidable distress and inconvenience resulting from the failure to undertake a lasting and effective repair initially. I've considered everything Mr V's said about the impact on him. I accept he did experience a fair amount of distress and inconvenience because of the poor repair between August 2023 and December 2023. I'm satisfied that £350 would be a fair amount for Haven to pay to make up for that.

### **My final decision**

For the reasons given above, my final decision is that Haven Insurance Company Limited must:

- on receipt of reasonable evidence of loss of profit, for 11 August 2023 to 17 August 2023, reimburse Mr V - it should also add simple interest at 8% from the date of loss to the date of final settlement\* - and
- pay Mr V £350 compensation.

\*If Haven considers that it's required by HM Revenue & Customs to deduct income tax from that interest, it should tell Mr V how much it's taken off. It should also give him a tax deduction certificate if he asks for one, so he can reclaim the tax from HM Revenue & Customs if appropriate.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr V to accept or reject my decision before 4 September 2024.

Daniel Martin  
**Ombudsman**