

The complaint

Miss C complains that Haven Insurance Company Limited mishandled a claim on her taxi insurance policy.

What happened

Miss C had a “black cab”, first registered in 2017.

For the year from mid-July 2022, Miss C had the vehicle insured on a comprehensive policy with Haven.

Unfortunately, in early March 2023, a third party caused minor damage to the rear of Miss C’s vehicle. Miss C was sure that the third party was at fault. So she reported the accident to Haven “for notification only” and used a claims management company (“CMC”) to make a claim against the third party.

On 19 June 2023, Miss C changed that approach. She asked Haven to deal with her claim under the policy. Miss C said she wanted to claim for loss of earnings. Haven asked for at least three weeks’ of earnings from before the incident date, for inclusion as a recovery from the third party.

Much of the complaint is about acts or omissions of claims-handlers and repairers on behalf of Haven. Insofar as I hold Haven responsible for them, I may refer to them as acts or omissions of Haven.

Haven arranged repair by one of its approved repairers in July 2023. Miss C understood that the repair would take only two days.

Later, Miss C complained that the repairer had caused delay by including a rear light in the repair of the accident damage. She complained to Haven about poor communication and that it hadn’t provided a hire car.

In late August 2023, the repairer said it had finished the repair. Miss C complained that – in reverse gear – the taxi’s reversing light and rear sensors weren’t working.

Miss C took the taxi back. She paid for an independent assessor to inspect the taxi on 21 September 2023. Her assessor didn’t mention the reversing light and rear sensors but raised the following issues:

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1. *The rear bumper exhibits damage to the face around the two centre parking sensors.*
 2. *The paint finish is poor with evidence of pinholes adjacent to the nearside centre parking sensor.*
 3. *The bumper appears to be sitting low which would indicate a misaligned rear armature.*
 4. *There is a water leak to the offside area of the boot which appears to be coming*

from the offside rear light which has been replaced.

5. *The rear wiring loom has not been secured correctly and is hanging below the bumper on the nearside"*

The assessor included an estimate from Miss C's preferred repairer.

Haven also instructed an assessor.

By a final response dated 30 October 2023, Haven turned down the complaint about communication and a hire car. Haven apologised for misadvising, after it had ordered parts, that Miss C could use her choice of repairer.

By a final response dated 31 October 2023, Haven's network repairer said that its assessor's initial findings had been as follows:

- *"Water leak to the offside rear lamp - the offside rear lamp will need to be removed, sealed correctly and refitted.*
- *Boot lid mis-aligned - The boot lid is visibly out of alignment and will require aligning correctly.*
- *Cable tie hanging down below the rear bumper - The rear bumper wiring has been secured to the rear bumper bracket with the use of a cable tie. This will need to be secured correctly with the correct fixing.*
- *Dirt nibs in rear bumper paint work - The rear bumper will need respraying to an acceptable finish (this may well polish out and will need to be investigated by the repairer who will be carrying out the rectification work).*
- *Parking sensors still damaged - Both inner parking sensors still show damage marks relating to the incident under notice. Both inner parking sensors will require respraying to the correct colour."*

So it listed five bullet points.

Later, Haven's assessor had added the following:

"The repairer advise that the water leak was already present to the off-side rear boot area but that the water ingress is not via the off-side rear lamp - having reviewed the image supplied by the repairer of the corroded module we would tend to agree that this has been present for some time and the leak would appear to be towards the middle of the off-side rear boot space as the module is located there The repairer have advised that they have not carried out any repair work to the boot lid although we would suggest that the alignment issue to the bottom section of the boot lid relates to the rear bumper having been refitted too low and would need realignment. As previously noted within our original report the inner parking sensors show signs of contact damage however [name] advised that they had already replaced the parking sensors as part of the original repair and is suggesting that these could have been damaged since the vehicles return to the owner"

The final response dated 31 October 2023 concluded as follows:

"Following the above, [network repairer's] Complaints Team confirmed to you & their repairer that point 1 will not be covered, and their repairer has since agreed to rectify points 2,3,4, & 5."

So Haven agreed to do rectification work. That was the alignment of the boot lid and bumper, the fixing of the rear bumper wiring, paint finish on the rear bumper, and the respraying of the inner parking sensors. Haven also agreed to get a named assessor to sign off that rectification work.

Miss C brought her complaint to us in early November 2023. She asked that Haven send her vehicle to a taxi specialist of her choice for repairs and pay compensation for distress and inconvenience suffered.

our investigator's opinion

Our investigator recommended that the complaint should be upheld in part. She thought that the repair had been unsatisfactory. She thought Haven provided poor customer service, including not updating Miss C about her claim for loss of earnings. The investigator recommended that Haven should:

1. get Miss C's taxi taken to the initial garage, so they have a chance to put right the repairs first; and
2. contact [named vehicle assessment company] to do an independent assessment on the second repairs that were completed, to make sure they'd been done satisfactorily; and
3. assess the loss of earnings Miss C had in 2023 within 28 days of the acceptance of the investigator's opinion (applying 8% simple interest one month from when Miss C was asked for three weeks of earnings), and any further loss of earnings she is due to have when her taxi is repaired for a second time; and
4. pay Miss C the cost of the independent engineer report (once this is evidenced); and
5. pay Miss C £300.00 compensation for the distress and inconvenience the claim process has caused her.

my provisional decision

After considering all the evidence, I issued a provisional decision on this complaint to Miss C and to Haven on 8 May 2024. I summarise my findings:

Miss C got an assessor's report. I had no reason to doubt her statement that it cost her about £180.00. Haven had agreed to reimburse her on proof of payment. I expected Miss C, in response to the provisional decision, to provide the invoice and evidence of the date of payment.

As she will have been out of pocket since then, I was minded to find it fair to direct Haven also to pay interest at our usual rate.

Haven had agreed to "rectify points 2,3,4, & 5." through its repairer.

Haven's repairer should've got the repair right first time. So I was minded to find it fair and reasonable to direct Haven to cause its repairer to offer Miss C a replacement taxi for the duration of the rectification work.

Haven had offered to get its named assessor to inspect the rectification work and to sign it off when it is satisfactory. I agreed that was reasonable.

I was minded to find it fair and reasonable to direct Haven to pay Miss C £300.00 for distress and inconvenience.

Subject to any further information either from Miss C or from Haven, my provisional decision was that I upheld this complaint in part. I intended to direct Haven Insurance Company Limited to:

1. reimburse Miss C for the cost of her assessor's report, subject to proof of payment; and
2. pay Miss C simple interest at a yearly rate of 8% on the amount of such payment from the date of her payment to the date of reimbursement. If Haven considers that it's required by HM Revenue & Customs to take off income tax from that interest, it should tell Miss C how much it's taken off. It should also give her a certificate showing this if she asks for one, so she can reclaim the tax from HM Revenue & Customs if appropriate; and
3. cause its repairer to offer Miss C a date to book-in her vehicle and to rectify the issues with the alignment of the boot lid and bumper, the fixing of the rear bumper wiring, the paint finish on the rear bumper, and the respraying of the inner parking sensors; and
4. offer Miss C a replacement taxi for the duration of the rectification work; and
5. get its named assessor to inspect the rectification work and to sign it off when it is satisfactory; and
6. pay Miss C £300.00 compensation for distress and inconvenience.

Haven didn't respond to the provisional decision.

Miss C disagreed with the provisional decision. She said the following:

"On the 19th June 2023 I spoke with [first name] at Haven to open my claim after initially reported it for information purpose back in March 2023, he enquired as to whether I would need a hire Taxi for the duration whilst my vehicle was in for repair, I enquired if it was going to be a like for like diesel Taxi as this is what I drive. [He] confirmed it would be a electric Taxi and if this was not suitable, he then confirmed that I can go down the route of loss of earnings which they asked me to provide. Mr Gilbert has stated that my comprehensive policy did not cover me for taxi hire nor loss of earnings and he thinks this was put forward to the third party, for haven's claim for reimbursement of its outlay on repairs. I was under the impression that asking me to provide my loss of earnings was to claim back from the third party who caused the damage to my Taxi and being responsible for me not being able to earn a living being self employed whilst my vehicle was off the road. Nothing to do with Haven recovering their cost of repair to my vehicle, why would they use my proof of loss of earnings for or towards their recovery for repair costs? I chased Haven on numerous occasions to see why my vehicle was taking so long to be repaired, I was told that the garage was waiting for a bulb. I questioned this and was told by the call handler that this is all that had been reported to them, I was puzzled by this. I attended the garage in person soon after hearing this news, it was only at this time that I witnessed the tail light had already been removed without being consulted prior to doing this. I spoke to [first name] (Senior Complaints repair team manager) at ... haven Insurance on 05/09/2023 to dispute the already removed tail Light also [first name] at [repairer] on the 07/09/2023 who informed me that the engineers at Haven are not getting involved in my disagreement. Please see written/photographic evidence attached to prove that my tail light was not accident related completed by ... Taxi garage dated 09/03/2023, a day after the incident which occurred on the 8/03/2023 which I emailed to Haven on 11/09/2023 to confirm my tail light was not damaged also attached is a copy of [repairer] Pre repair

Inspection form which does not list any damage to my tail light when my vehicle was dropped off to them.

It was only apparent after collecting my vehicle it had rained, to which notified me of the water leak inside my boot.

This was not happening prior to the tail light being changed.

It was identified by the independent report carried out by [assessor] which I forwarded proof of the paid Invoice on 11/09/2023 to Haven Insurance, hence I would not have been able to receive the report without prior payment made.

Mr Gilbert has stated in his report that I asked to use a repairer of my choice, this is correct however after speaking with [first name] at Haven on the 19th June 2023. He denied me this right by stating that [taxi garage] are not on their approved list of repairers. Hence why I was forced to take my Taxi to their choice of garage [repairer] In his report it says Haven incorrectly said that this was possible?

The report has stated that it does not find Haven responsible for any unfair act or omission, I disagree with this.

Haven failed to allow me to take my vehicle to be repaired by the garage of my choice in the first instance since getting back in touch with them on 19/06/2023, they have failed me as a consumer to deal with the handling of the repair to my vehicle and the length of time it is still taking.

It has been stated that the garage [repairer] has to provide me with a hire taxi whilst my vehicle is being repaired? Who is responsible for the cost of this and why am I only being offered this now? Is this going to be a like for like diesel taxi that meets with TFL regulations?

I am unhappy/stressed to take my vehicle back to [repairer] as I feel let down and not confident in them rectifying the repair, due to them not being Taxi specialists. The outcome I am looking for is that Haven or [repairer] to pay for the estimate I provided from [taxi garage] back in march 2023 to carry out the repair to my Cab.

I feel it is unfair that only part of my complaint has been upheld by Mr Christopher Gilbert he has only considered what Haven Insurance Company and [repairer] have stated and ignored the evidence I have forwarded. I have forwarded further evidence to support my 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.

The accident and the need to make a claim were, in my view, bound to cause Miss C some upset and inconvenience, including the need to contact Haven and its repairer.

From what I've seen, the policy didn't cover Miss C for the hire of a replacement taxi or for loss of earnings or for legal expenses.

Clearly I can't hold Haven responsible for whatever the CMC did.

When Miss C made a claim to Haven, I've seen that it asked for details of her earnings. I think that this was to put forward to the third party, with Haven's claim for reimbursement of its outlay on repairs.

I find it likely that the damage to the rear lamp and bulb were consistent with the reported accident. So I don't find it unreasonable that Haven replaced them. Haven's final response said that Miss C went along with this. Miss C didn't respond to that. So I find that she accepted the repair of the rear lamp and bulb.

The repair took until late August 2023. However, I accept that Haven had to wait for parts. I haven't seen enough evidence to say that the repair took an unreasonable period of time. I've noted that Miss C initially declined to collect the vehicle when she was unhappy about the repair.

Miss C got an assessor's report. In response to the provisional decision, Miss C has sent us the invoice dated 21 September 2023 for £180.00 including VAT. Haven has agreed to reimburse her on proof of payment. Notwithstanding her statement that she forwarded it to Haven on 11 September 2023, I accept that Miss C paid the invoice on about 21 September 2023.

As she will have been out of pocket since then, I find it fair to direct Haven also to pay interest at our usual rate.

It's common ground that there was an issue with the reversing light and sensor. However, Haven thought the issue was caused by wear and tear of a switch on the gearbox. And Miss C's assessor's report didn't support her view that this issue was related to the accident or Haven's repair. So I don't find it fair and reasonable to direct Haven to do any more about that issue.

It's also common ground that there was an issue with a leak in the boot. However, the source of the leak is in dispute. Miss C's assessor said it appeared to be coming from the replacement offside lamp. Haven's repairer said that the leak wasn't coming from the lamp, but rather from nearer the middle of the boot. On balance, I find Haven's evidence more detailed and persuasive. I don't consider that it would be fair and reasonable to direct Haven to do any more about that issue.

Miss C's assessor said there was an issue with the alignment of the boot lid. Haven's assessor's report said that the adjacent bumper had been re-fitted too low. I accept that.

Haven has also suggested later damage to the inner parking sensors.

However, Haven has agreed to "rectify points 2,3,4, & 5." through its repairer. I consider that this is by reference to its five bullet points.

So I find it fair and reasonable to direct Haven to cause its repairer to offer Miss C a date to book-in her vehicle and to rectify the issues with the alignment of the boot lid and bumper, the fixing of the rear bumper wiring, the paint finish on the rear bumper, and the respraying of the inner parking sensors.

Haven has offered to get its named assessor to inspect the rectification work and to sign it off when it is satisfactory. I agree that is reasonable.

Haven was entitled to pursue Miss C's claim against the third party to recover its own outlay on repairs. Otherwise, I don't consider that Haven was obliged to pursue Miss C's claim against the third party, including for loss of earnings.

The claim for loss of earnings is for an uninsured loss and Miss C is free to pursue it against the third party.

I haven't found that the repair took an unreasonable period of time. Also, I don't find it likely that the taxi was undriveable after Miss C got it back. I keep in mind that Miss C is free to pursue a claim against the third party.

So I don't consider that Haven is responsible for any unfair act or omission that caused Miss C a loss of earnings in 2023. And - unlike the investigator – I don't find it fair and reasonable to direct Haven to pay Miss C compensation for loss of earnings.

Haven's repairer should've got the repair right first time. So I find it fair and reasonable to direct Haven to cause its repairer to offer Miss C a replacement taxi for the duration of the rectification work.

I find Haven responsible for some shortcomings in its communication with Miss C. I've thought about the impact of those shortcomings on her. That included being made to feel that she had to chase for progress and updates.

Haven's final responses went some way towards putting things right for Miss C. However, they didn't offer compensation. Overall, I find it fair and reasonable to direct Haven to pay Miss C £300.00 for distress and inconvenience.

Miss C's response to the provisional decision

I have looked at all the evidence Miss C has provided.

Miss C would like Haven or its repairer to pay her taxi garage's March 2023 repair estimate. That was for about £1,700.00. I don't think that would be fair for the following reasons:

- That estimate has been superseded by Haven's repairs and the need for rectification of those repairs.
- Notwithstanding Miss C's lack of confidence in Haven's repairer, that repairer should have an opportunity to do rectification work to the satisfaction of the assessor.

Miss C has asked why Haven would use her proof of loss of earnings for or towards their recovery for repair costs. I answer that question as follows:

- The provisional decision said that I thought Haven had asked for details of her earnings to put forward to the third party, with Haven's claim for reimbursement of its outlay on repairs. Miss C's claim against the third party for uninsured loss of earnings is separate from Haven's claim for reimbursement of its outlay.

Miss C says that tail light was not accident related. I accept that neither her taxi garage's estimate dated March 2023 nor Haven's repairer's pre-repair inspection form dated August 2023 shows any damage to a tail light. However, I consider it fair for Haven or its repairer to have treated the tail light as having suffered accident damage for the following reasons:

- The pre-repair inspection form is on a piece of paper which includes a diagram of the vehicle. That piece of paper has been torn, including through the area of the diagram showing the offside tail light.
- The repairer considered that the tail light had suffered damage in the accident in March 2023.

Miss C has said that the water leak inside her boot was not happening prior to the tail light being changed. She has sent us photographs of the boot. However, I don't find it fair and reasonable to hold Haven responsible for such a leak for the following reasons:

- I find the photographs inconclusive.
- Compared to the evidence of Miss C's assessor, I've found Haven's evidence more detailed and persuasive that the leak wasn't coming from the lamp, but rather from

nearer the middle of the boot.

Miss C has asked some questions about the replacement taxi for the duration of the rectification work. I answer those questions as follows:

- Haven will be responsible for the cost.
- My reason for including this in the provisional decision was that Haven's repairer should've got the repair right first time.
- The replacement taxi should comply with all regulations for its use as a taxi. Miss C would prefer a diesel taxi, but I know of no reason why Haven shouldn't provide an electric taxi.

Putting things right

I find it fair and reasonable to direct Haven to:

1. reimburse Miss C £180.00 for the cost of her assessor's report; and
2. pay Miss C simple interest at a yearly rate of 8% on that amount of £180.00 from 21 September 2023 to the date of reimbursement. If Haven considers that it's required by HM Revenue & Customs to take off income tax from that interest, it should tell Miss C how much it's taken off. It should also give her a certificate showing this if she asks for one, so she can reclaim the tax from HM Revenue & Customs if appropriate; and
3. cause its repairer to offer Miss C a date to book-in her vehicle and to rectify the issues with the alignment of the boot lid and bumper, the fixing of the rear bumper wiring, the paint finish on the rear bumper, and the respraying of the inner parking sensors; and
4. offer Miss C a replacement taxi for the duration of the rectification work; and
5. get its named assessor to inspect the rectification work and to sign it off when it is satisfactory; and
6. pay Miss C £300.00 compensation for distress and inconvenience.

My final decision

For the reasons I've explained, my final decision is that I uphold this complaint in part. I direct Haven Insurance Company Limited to:

1. reimburse Miss C £180.00 for the cost of her assessor's report; and
2. pay Miss C simple interest at a yearly rate of 8% on that amount of £180.00 from 21 September 2023 to the date of reimbursement. If Haven considers that it's required by HM Revenue & Customs to take off income tax from that interest, it should tell Miss C how much it's taken off. It should also give her a certificate showing this if she asks for one, so she can reclaim the tax from HM Revenue & Customs if appropriate; and
3. cause its repairer to offer Miss C a date to book-in her vehicle and to rectify the issues with the alignment of the boot lid and bumper, the fixing of the rear bumper wiring, the paint finish on the rear bumper, and the respraying of the inner parking sensors; and
4. offer Miss C a replacement taxi for the duration of the rectification work; and
5. get its named assessor to inspect the rectification work and to sign it off when it is

satisfactory; and

6. pay Miss C £300.00 compensation for distress and inconvenience.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss C to accept or reject my decision before 21 June 2024.

Christopher Gilbert

Ombudsman