

The complaint

Mr R complains that Covea Insurance Plc failed to provide a hire car as agreed when his car was being repaired, under his motor insurance policy.

What happened

Mr R's car required repairs due to contamination of a fuel additive. He contacted Covea and explains there were discussions, also involving his insurance broker, around whether the claim could be accepted. Eventually it was. However, Covea's approved repairers couldn't complete the work. Mr R says the repairs were assigned to a main dealer garage.

Mr R raised concerns about the repairs. This was handled separately under a different reference. The complaint I'm considering here is that Mr R says Covea promised him a hire car when his car was being repaired, but that this wasn't provided. He says that prior to this, although he was able to drive his car, the display warned he had a limited number of miles remaining before the vehicle would no longer start. Mr R says he had to drastically reduce the use of his car until it was repaired. This impacted on him and his family for a period of 20 days. He says Covea should pay him the equivalent of two days' worth of car hire, based on a similar vehicle.

In its final complaint response Covea says Mr R's car had to be repaired at a main dealer. On 28 November 2022 it says it spoke with Mr R and provided payment so he could settle the cost of the repairs himself. Covea acknowledges that it agreed to provide a hire car whilst the repairs were undertaken. It says it contacted the main dealer to confirm the booking in date. It says five contacts were made up to 5 December when it was told that Mr R had dropped his car off. The main dealer told Covea the repairs would be completed the next day. In its response Covea explained this was too short notice for it to be able to provide a hire car.

In its complaint response Covea says it contacted Mr R on 5 December and offered him £60 compensation for not providing a hire vehicle. It says his car was repaired and returned to him the following day.

Mr R didn't think he'd been treated fairly and referred the matter to our service. Our investigator didn't uphold his complaint. She thought Covea had made reasonable attempts to contact the main dealer, so it knew when to provide a hire car for Mr R. She says it wasn't made aware of the booking-in date until this was too late. She thought it was fair that Covea paid Mr R £60 compensation for the frustration and inconvenience he was caused. But she didn't think it was liable to pay compensation equivalent to the cost of a like-for-like hire vehicle.

Mr R didn't agree with our investigator's findings and asked for an ombudsman to consider his complaint.

It has been passed to me to decide.

I issued a provisional decision in September 2024 explaining that I was intending to uphold Mr R's complaint. Here's what I said:

provisional findings

I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint.

Having done so my intention is to uphold this complaint. Let me explain.

I can see that Mr R's policy provides for a courtesy car whilst repairs are ongoing. I've looked to see whether it complied with the terms of its policy in these circumstances.

A hire car was offered, as opposed to a courtesy car, as Mr R's car wasn't with one of Covea's approved repairers. I think it was reasonable for Covea to agree to provide a hire car, as the repairs had to be completed by a main dealer. Mr R says he wasn't provided with clear information about the hire car provision despite asking for this. Whereas in its submissions to our service Covea says an agreement was made with Mr R to provide a hire vehicle for the duration of the repairs. It says it then contacted the main dealer numerous times to find out when the car had been book-in for the repairs. But it wasn't able to get through until it was too late.

I've listened to a number of call recordings where Covea attempted to get through to the relevant department at the main dealer. On each occasion the call was transferred. But there was no answer. This is until the day the car was on site.

Mr R has a different recollection of these events. He says he contacted Covea on a number of occasions to query if the garage had been instructed to begin repairs. He says he contacted it on 30 November 2022 to say his car was potentially going into the garage the following day. He says he asked about the hire car arrangement. Covea's agent didn't know about this but promised to find out. He called again the next day and was told his query about the hire car was being worked on.

Based on what I've read I think the situation regarding the hire car could've been made clearer. Covea says Mr R was to make the appointment with the main dealer in mid-November 2022. But Mr R refers to contacting the business in late November to find out if the main dealer had been instructed. I acknowledge the attempts Covea made to confirm the appointment with the main dealer in early December. It clearly had difficulty in doing so. But it could reasonably have contacted Mr R directly to see if an appointment had been made. This would've allowed time for Covea to then arrange a hire vehicle.

In these circumstances I think it's fair that Covea pays Mr R compensation. This is to acknowledge the inconvenience caused by the lack of a car for two days, and the hassle and stress he was caused by the lack of clear communication. I think it should pay £100 on top of the £60 it has already offered.

I note Mr R's comments that he believes the repairs could've been completed at any "competent" garage, as this wasn't being carried out under warranty. He also says he didn't want this specific garage completing the work due to issues he'd experienced previously when trying to resolve the contamination issue.

I asked Covea whether Mr R was given an option of garages. In response, it says his car required a mechanical repair, which a main dealer garage was best placed to carry out. It says there were two main dealer garages that were discussed with Mr R. One was seven miles from his home address and the other was 30 miles. Covea says Mr R decided to use

the closer garage and was going to contact it to provide an estimate for the repairs. It says this was subsequently received and it sent a payment to Mr R to cover this on 28 November 2022.

Covea's engineers concluded the repairs had to be completed at a main dealer. I note what it says about this being due to the mechanical nature of the work. This seems reasonable. I note the concerns raised by Mr R. But I don't think Covea treated him unfairly when agreeing to pay for a main dealer garage to do the work. The garage completed the repairs within two days. Mr R hasn't reported any issues with the standard of this work, so I can't see that he's been negatively impacted by the involvement of this garage. From what I've read Mr R was given the option of using another main dealer garage, albeit this was some distance away. Having considered this issue, I don't think Covea treated Mr R unfairly when offering the repair options it did.

I've thought about Mr R's comments that his car displayed a warning that said his car could only be driven 500 miles before it would no longer start. He says this limited the use of his car whilst he was waiting for the repairs.

I can understand why this was a concern for Mr R and that he limited the journeys he made as a result. However, from what I've read I don't think Covea was responsible for the time taken for the main dealer to book his car in and complete the repairs. Mr R's car was driveable during this time so although he limited its use he did have transport available to him. His policy terms are clear that a replacement car is available whilst repairs are ongoing at an approved repairer. So, in these circumstances I don't think he was treated unfairly by Covea.

I said I was intending to uphold this complaint and Covea should pay Mr R £100 on top of the £60 it previously offered.

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

Covea responded to say it had no additional points to make.

Mr R didn't respond with any further comments or information for me to consider.

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 neither party has made any further submissions or provided further evidence for me to consider, I see no reason to change my provisional findings.

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. Covea Insurance Plc should

- pay Mr R £100 compensation for the hassle and inconvenience he was caused, in addition to the £60 it offered him

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr R to accept or reject my decision before 15 November 2024.

Mike Waldron
Ombudsman