

The complaint

Mr B complains that Trinity Lane Insurance Company Limited wouldn't pay him a benefit under his replacement motorhome insurance and about its service.

Trinity Lane is the correct business for this complaint, I've explained why in my provisional findings below. However I've referred to the broker separately where appropriate on the facts.

What happened

Mr B had insurance for his motorhome. He bought the added option of cover for a replacement vehicle, which Trinity Lane insures. It's not the insurer for the main motorhome insurance.

In early April 2024 Mr B called the broker to report that his motorhome had suffered storm damage and to ask about his replacement vehicle cover. He had a holiday planned and didn't know how long his claim for his motorhome's repair was going to take.

The broker transferred Mr B to the claim handler of the policy. The claim handler business is an agent of Trinity Lane under this policy. Over the following couple of weeks Mr B spoke to various businesses about a replacement motorhome. On 19 April 2024 he was told that a replacement vehicle was available but by that time his holiday period had ended so he said he didn't need it.

Mr B complained to the broker that it should pay him £1,400 as the policy gave £100 a day for up to 14 days if he couldn't be provided with a replacement vehicle.

The broker's final response letter said it wasn't responsible for providing Mr B with a replacement vehicle and anyway one was offered to him so he wasn't due £1,400.

Trinity Lane also sent a final response letter to Mr B which said its claim handler had only received the claim on 17 April 2024. It said Mr B was offered a replacement vehicle but he cancelled it as he no longer needed it. Trinity Lane said Mr B should contact the broker as he was unhappy with the broker's service.

Mr B complained to us. In summary he said the broker told him he wasn't entitled to a replacement vehicle, which was wrong as he'd paid for the extra cover. He was told different things by different people when he chased what was happening with his claim. By the time Trinity Lane offered a replacement vehicle there was no point in getting one as his holiday was over. Mr B said the different businesses blame each other for his complaint but he thinks the broker should pay him £1,400 under the policy terms as it delayed him getting a replacement vehicle.

Our Investigator said the policy terms covered Mr B for a replacement vehicle either while his motorhome was being repaired or for three days after his settlement had been paid. She said as his motor home was written off on 15 April 2024 there wasn't a reasonable repair period, so Mr B's entitlement for the replacement vehicle would have been for the three days following settlement being paid, which wasn't until after 19 April 2024 - so only after his holiday period had ended.

Our Investigator recommended that the broker pay Mr B £100 compensation for his distress and inconvenience due to its poor service.

Trinity Lane agreed to pay Mr B £100 compensation. It raised that under the policy terms Mr B wasn't entitled to a replacement vehicle at all because his motorhome had been damaged by a storm, which wasn't an insurable event under the policy terms. It said that at the time it had been willing to offer him a replacement vehicle only as a gesture of goodwill.

Mr B didn't agree with our Investigator's recommendation and wanted an Ombudsman's decision. He wants £1,400.

Before I made my provisional decision I set out to Trinity Lane and the broker why I considered that the broker was acting as Trinity Lane's agent under the policy. I also asked Trinity Lane to provide evidence that Mr B was told it was offering the replacement vehicle purely as goodwill.

Trinity Lane said that the broker was acting as its agent. It understood Mr B wasn't told its offer of a replacement vehicle was only as a goodwill gesture. The broker said it arranged and administrated this policy on Trinity Lane's behalf.

What I provisionally decided – and why

I made a provisional decision that I was intending to partly uphold the complaint. I said:

'The relevant regulator's rules say that insurers must handle claims promptly and fairly and they mustn't turn down claims unreasonably.

Mr B says that as his complaint is about the broker's service this complaint should be against the broker. But Trinity Lane has confirmed the broker is its agent, and the broker has said it administered this policy on Trinity Lane's behalf.

So Trinity Lane is responsible for the broker's relevant actions in this complaint and it's the correct business for this complaint. The broker isn't responsible for paying claims, that's Trinity Lane's responsibility.

Mr B's replacement vehicle policy says:

"If the Insured Vehicle is damaged and rendered Un-Drivable by a single road traffic collision, fire, malicious damage, theft or attempted theft, (excluding if due to glass damage,) ... We will arrange for a Hire Vehicle, for Your use during the reasonable repair period only or until 3 days following payment has been issued to You in settlement of Your vehicle claim in any event not exceeding the Limit of Cover...

If, due to circumstances beyond Our control, We cannot arrange a Hire Vehicle for You or You are unable to drive as a result of Your accident, We will make an alternative cash payment of £100 per day to the maximum number of hire days as stated on Your policy Schedule". (The schedule shows it's 14 days).

So under the policy terms if Trinity Lane can't arrange a replacement vehicle it will make an alternative cash payment of £100 per day up to 14 days, so £1,400 maximum. But for that to apply the claim for the replacement vehicle has to be covered by the policy terms.

Trinity Lane has very recently raised that Mr B's claim for a replacement vehicle was never covered by the policy terms. Mr B's motor home was damaged by a storm. As the policy only provides a replacement vehicle if Mr B's vehicle is "*damaged and rendered Un-Drivable by a single road traffic collision, fire, malicious damage, theft or attempted theft, (excluding if due to glass damage)*" Trinity Lane is correct that Mr B's claim wasn't covered by the policy terms.

I've seen no evidence that Trinity Lane told Mr B his claim wasn't covered because of the circumstances of his claim and it was just making a goodwill offer. So I understand why Mr B thinks he's due £1,400.

But as Mr B's claim for a replacement vehicle wasn't covered under the policy terms he was never owed £1,400 due to Trinity Lane's failure to provide a replacement vehicle when he needed it. As Trinity Lane never had to provide a replacement vehicle under the policy terms I can't fairly say Trinity Lane should pay him the £1,400 because it failed to provide one in time.

However, I've listened to the call recordings and it's clear that when Mr B asked the broker for a replacement vehicle he wasn't given the service he could reasonably expect. So I think it's fair for me to award Mr B some compensation for his distress, inconvenience and loss of expectation the poor service caused.

Initially the broker correctly told Mr B that he needed to speak to Trinity Lane's claim handler about a replacement vehicle. I understand it wasn't available when Mr B's call was initially transferred. At other times when he called the broker about the issue it wrongly transferred him to the insurer of his main motorhome policy, which isn't Trinity Lane. Matters were further confused because at the same time Mr B was making a claim for the damage to his motorhome which was the responsibility of the other insurer.

I think Mr B correctly believes he was passed around different businesses which didn't help him get a replacement vehicle and caused delay. But as I've said, Mr B wasn't entitled to a replacement vehicle under the policy terms as there was no cover for his situation, so the delay didn't actually disadvantage his claim.

Trinity Lane may have still been willing to give him a replacement vehicle as a goodwill gesture if its claim handler knew about his request earlier in April 2024. But I've explained above, as Mr B's claim for a replacement vehicle wasn't covered I can't fairly say Trinity Lane should pay him the £1,400 because it failed to provide one in time.

Overall I think Trinity Lane (through the broker and its claim handler) made repeated errors which caused Mr B unnecessary upset, inconvenience and a loss of expectation that he'd receive a replacement vehicle or £1,400. This has required a reasonable effort for Mr B to sort out. To recognise all this I think Trinity Lane should pay Mr B £250 compensation, which includes the £100 it's already offered'.

Reponses to my provisional decision

Trinity Lane didn't respond to my provisional decision. Mr B strongly disagreed with my provisional decision. He said Trinity Lane had agreed with our Investigator's recommendation of £100 compensation because he didn't get the courtesy motorhome it should have provided. He'd contacted the broker to ask if the courtesy motorhome would be provided from when the claim was made and was told it would have been. So Mr B queries why he'd been offered £100 when he believes he should be paid £1,400. He said Trinity Lane agreeing to compensate him for £100 'proves they are in the wrong'. He added that if the matter isn't resolved properly he would take Trinity Lane to court and show the public that this Service supports businesses, not the public.

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 considered Mr B's response to my provisional decision and reconsidered all the original evidence. Trinity Lane hasn't responded to my provisional decision so I've no reason to think it disagrees. Mr B's response hasn't changed my mind about what I think is a fair and reasonable outcome of this complaint.

Mr B says that this Service supports businesses, not the public. We are an independent public body set up by Parliament to sort out complaints between financial businesses and their customers in a fair and impartial way. We don't act on behalf of businesses and we don't act on behalf of the public. I make a decision based on what I think is a fair and reasonable outcome based on the evidence and circumstances of each complaint.

I note Mr B's comments about why he thinks Trinity Lane agreed to our Investigator's recommendation that it pay him £100 compensation. But the recommended £100 compensation was for Mr B's distress and inconvenience due to Trinity Lane's poor service. Trinity Lane agreed with that recommendation because it agreed it had provided poor service to Mr B, not because it thought it should have provided him with a motorhome.

As I set out above, Trinity Lane's response to our Investigator's recommendation was clear. Its position was that under the policy terms Mr B wasn't entitled to a replacement motorhome because his motorhome had been damaged by a storm, which wasn't an insurable event under the policy terms. At the time it had been willing to offer him a replacement motorhome only as a gesture of goodwill, not because Mr B was due a replacement motorhome under the policy terms.

Mr B says he's contacted the broker who told him the courtesy motorhome should have been provided from when the claim was made. But the broker isn't responsible for deciding claims. Trinity Lane is responsible for deciding claims. I explained in my provisional findings why I think Trinity Lane correctly and reasonably said that under the policy terms Mr B's claim wasn't covered.

As I've also said above, because Mr B's claim for a replacement motorhome wasn't covered under the policy terms he was never owed £1,400 due to Trinity Lane's failure to provide a replacement motorhome when he needed it. So I think it was reasonable for Trinity Lane to consider that it didn't have to pay Mr B the £1,400 because it failed to provide a motorhome in time for his holiday period.

As Trinity Lane didn't make clear to Mr B that its offer of a motorhome (too late for his use) was only a goodwill gesture Mr B believes it owes him £1,400, but it doesn't. I've taken into account his loss of expectation in deciding what compensation award is reasonable.

For the reasons I've set out in my provisional findings and these findings I think Trinity Lane (through the broker and its claim handler) made repeated errors which caused Mr B unnecessary upset and inconvenience.

Trinity Lane also caused Mr B a loss of expectation that he'd receive a replacement motorhome or £1,400, when under the policy terms it didn't need to provide a motorhome or pay him the money. In recognition of Mr B's distress, inconvenience and loss of expectation I'm satisfied that Trinity Lane should pay Mr B £250 compensation, which includes the £100 it's already offered.

I note Mr B says if this complaint isn't resolved to his satisfaction then he will issue court proceedings against Trinity Lane. That's a matter for him to decide. If he doesn't accept my decision then he and Trinity Lane won't be bound by my decision.

My final decision

I partly uphold this complaint and require Trinity Lane Insurance Company Limited to pay Mr B £250 compensation for the distress, inconvenience and loss of expectation it's unnecessarily caused him.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr B to accept or reject my decision before 3 February 2025.

Nicola Sisk
Ombudsman