

The complaint

Mr G complains about Motors Insurance Company Limited's ("MICL") decision to decline his claim under his cosmetic repair insurance policy.

What happened

Mr G bought a new car and was offered an insurance policy that would repair cosmetic damage to his car. Mr G says he was shown a promotional video which described the benefits of this policy, which included the option to have multiple claims and repairs. Mr G says, around six months later, an incident occurred which caused minor cosmetic damage to the rear door. Mr G says he made a claim, but this was declined on the basis the damage wasn't covered by the policy. Mr G complained about the claim decision, and said he wasn't given any policy documents until he made a claim. He also said the policy offered £150 towards a repair should his claim be declined, but this wasn't mentioned to him at any point during his claim.

MICL responded and explained the damage exceeded 30cm in length and didn't therefore meet the policy definition of minor cosmetic damage. They also confirmed the policy documents were sent to Mr G by email when he took out the policy.

Our investigator looked into things for Mr G. She thought MICL hadn't acted unfairly in declining Mr G's claim. Mr G disagreed so the matter has come to me for a decision.

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.

Having done so, I've decided not to uphold the complaint. I understand Mr G will be disappointed by this but I'll explain why I have made this decision.

My starting point is Mr G's cosmetic repair policy booklet. This sets out the terms and conditions and defines 'Minor Cosmetic Damage' as, *"A chip, minor dent, light scratch and/or scuffed bumper caused by a single incident, where the total damage area is no larger than 30cm in diameter or 3mm in depth...Any one claim is limited to one minor cosmetic damage repair, unless in the case of multiple damages caused by a single incident where the total end to end size of the furthestmost points of the combined damaged area is no larger than 30cm in diameter or 3mm in depth. Any repairs which are greater than these limits or are estimated to exceed four hours to complete will not be considered to be minor cosmetic damage and are therefore not covered by this policy."*

Later in the policy, it sets out exclusions, and says Mr G won't be covered for minor cosmetic damage, *"That cannot be defined as a light scratch, chip scuffed bumper or minor dent or any minor cosmetic damage where a cosmetic repair is not technically possible."*

I think the policy terms and conditions make it clear what damage is considered minor cosmetic damage, and that MICL won't cover such damage if it exceeds 30cm in length. I've seen the photos which were sent by Mr G to MICL, and which were considered by them as

part of the claim assessment. There's a photo showing the damage with a measuring tape beside it – and it's clear the damage covers an area greater than 30cm. So, I can't say MICL have acted unfairly here in declining the claim on these grounds as, not only does the damage not meet the policy definition of minor cosmetic damage, but it also falls under an exclusion within the policy.

Mr G says the damage is located across two separate areas. He refers to the photos he provided and says this shows an upper area of scuffing, which Mr G says is minor and may not be a part of the incident he's claiming for under his policy. Mr G says it's the lower area of damage that he's claiming for – which he says is less than 30cm. Mr G says there's a section in between these two areas of damage showing no damage – which Mr G says demonstrates it's not one single and continued area of damage. MICL say, when they assessed the damage, they took into account how the damage had been reported, the photos Mr G had sent, and the type of damage shown. They said this helped them to identify whether it was reasonable to take the view that all damage occurred at the same time. They said, based on this, they believed the damage was consistent with it having occurred in one incident.

I've carefully considered all the information and based my decision on the balance of probabilities – that is, what I think is more likely than not. And, I'm more persuaded the damage is consistent with a single incident. I say this for a number of reasons. MICL say the damage is on a door and in a line going downwards – and this is consistent with a single incident. Having seen the photos, I'm more persuaded that is the case. Also, Mr G provided the photos in support of his claim, and the photos he sent originally show the full area of the damage rather than just focusing on the lower area.

It's also clear from the photos that the area of the door where the damage occurred has been wiped to allow the damage to be more visible. The area that has been wiped is along the full length of the damage rather than just the lower area. So, I think this demonstrates Mr G's intention to claim for the whole area of damage. And, given this exceeds the 30cm limit set by the policy, I can't say MICL acted unfairly in declining the claim.

I acknowledge Mr G refers to telephone conversations during which he says he made it clear the upper scuff could be existing or is negligible in the repair. And I can see Mr G then later sent a photo showing a measuring tape beside just the lower area of damage. But, as I've said, I've based my decision on what I think is more likely than not. And for the reasons I've already mentioned, I'm more persuaded it was reasonable in the circumstances for MICL to treat the damage, from end to end, as being greater than 30cm.

I can see Mr G also raises a concern about a repair contribution he feels he should've received under the policy. Mr G says the policy offered a £150 contribution towards repair costs in the event his claim is declined. The policy terms and conditions say, *"In the event that a cosmetic repair cannot be used to repair minor cosmetic damage on your vehicle under this policy, the policy will contribute up to a maximum of £150 including VAT towards the cost of having a conventional body shop repair carried out whereby the minor cosmetic damage has been repaired as a result."*

I agree there is a contribution of £150 available here under the policy, but the policy wording is clear in that this is only available in the event that the damage relates to 'minor cosmetic damage'. I've already explained above why I'm persuaded the damage here doesn't meet the policy definition of minor cosmetic damage, so I can't say MICL have acted unfairly in not offering a contribution towards any repair costs.

Mr G has raised a concern about this section of the policy and questions what circumstances would give rise to the £150 contribution being paid. I believe the policy terms and conditions

are clear in this respect. The policy defines a cosmetic repair as a technique suitable for repairing minor cosmetic damage and involving “...*re-surfacing and re-finishing...damaged areas as close as possible back to their original condition...*” So, it appears in circumstances where the damage meets the policy definition for minor cosmetic damage, and a cosmetic repair can’t be used to repair the damage, then the policy allows a contribution of £150 towards the cost of a body shop repair.

I understand Mr G also says he didn’t receive any policy documents when he first took out the policy, and this was only sent to him after he made a claim. MICL have provided evidence which shows a welcome letter and policy booklet was sent to Mr G by email when he took out the policy. I’ve checked the email address the documents were sent to, and it matches the email Mr G has provided our service. I acknowledge Mr G maintains he didn’t receive the policy documents when his policy started, so again I’ve considered this part of the complaint on the balance of probabilities. MICL have provided a screenshot from their system which shows the policy documents were sent by email, the email address it was sent to, this action was completed, and the email didn’t bounce. So, while I’m certainly not disregarding Mr G’s points here, I’m more persuaded, from the evidence I’ve seen, that the policy documents were sent.

Mr G has also raised concerns about the policy being mis-sold to him. MICL have said they didn’t sell the policy and Mr G would need to raise this complaint with the dealership who sold the policy. Given that MICL didn’t sell the policy, I can’t consider a complaint about mis-sale against MICL, and Mr G would need to raise this direct with the firm who sold the policy.

I wish to reassure Mr G I’ve read and considered everything he has sent in, but if I haven’t mentioned a particular point or piece of evidence, it isn’t because I haven’t seen it or thought about it. It’s just that I don’t feel I need to reference it to explain my decision. This isn’t intended as a discourtesy and is a reflection of the informal nature of our service.

My final decision

For the reasons I have given, it is my final decision that the complaint is not upheld.

Under the rules of the Financial Ombudsman Service, I’m required to ask Mr G to accept or reject my decision before 27 February 2025.

Paviter Dhaddy
Ombudsman