

## **The complaint**

Mr B is complaining about the length of time it took Tradex Insurance Company PLC to repair his vehicle which he used as a private hire vehicle after he made a claim on his commercial vehicle insurance policy.

Tradex used a third-party agent to manage Mr B's claim on its behalf. But, for ease of reference, I shall refer to anything the agent did as being done by Tradex.

## **What happened**

In November 2023 Mr B was involved in an accident with another vehicle. So he contacted Tradex to claim for the damage to his vehicle through his commercial vehicle insurance policy. He later complained to Tradex that it took around five months for it to repair his vehicle. He said he'd lost income as a result of this as he used the vehicle as a taxi driver. He also said his local council had taken away the vehicle's private hire licence due to the length of time it took to complete the repairs. So he said he had to pay for an MOT and a new licence fee to be able to work again.

Tradex acknowledged it caused some delays in the handling of the claim and said it would pay £587.37 in compensation which included a sum to reflect lost earnings. Mr B said he'd lost significantly more than that, so he referred his complaint to this Service.

Our Investigator asked Tradex to provide an explanation of why it had taken so long to repair the car and how it had calculated the compensation. But Tradex didn't reply to the Investigator. So the Investigator said she had to assess the complaint based on the information available.

The Investigator thought it would generally take up to a month to complete repairs. So she thought Tradex should have repaired the car by January 2024, but the car wasn't returned to Mr B until April 2024. So she thought Tradex had caused around three months of delays. Mr B provided his tax returns for 2022/23 and 2023/24 which the Investigator thought showed his income had reduced in 2023/24, which supported Mr B had lost income because of Tradex's delays. She said Mr B's tax returns for 2023/24 suggested he earned around £652.33 profit per month. So she thought Tradex should pay Mr B lost earnings of £1,957 – the equivalent of three months.

The Investigator was also persuaded Mr B had lost the private hire licence on his vehicle due to the delays caused by Tradex. And she noted Mr B had had to pay to get a new MOT for the car because of this. She said this in total had cost Mr B £298. So she said Tradex should refund this. Finally, she thought Tradex should pay Mr B £200 in compensation for the distress and inconvenience it had caused.

Mr B accepted the Investigator's opinion. Tradex initially didn't reply to the Investigator's opinion. However, after time, it provided some further information for the Investigator to consider, but it didn't comment on the Investigator's opinion. The Investigator considered what Tradex had provided, but she said it still hadn't set out why it had taken so long to repair the car or how it had calculated the compensation it paid. So she still thought her

original opinion was fair.

Tradex again didn't reply to the Investigator, so the complaint has been passed to me to decide.

### **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 Mr B has accepted the Investigator's opinion and Tradex hasn't commented in any form on the Investigator's opinion, I see no reason to reach a different conclusion to the Investigator.

I've found Tradex's lack of engagement with this Service throughout Mr B's complaint disappointing as it's continually failed to respond to this Service's requests or assessments. But, ultimately, it hasn't provided any explanation or reason why it took so long to repair Mr B's car. Tradex was aware throughout that Mr B did not have access to another vehicle and I've seen evidence to show Mr B told Tradex he was losing income as a result of the delays. However, despite this, delays continued to ensue.

I think it needs to be noted that there will always be some inconvenience as a result of making a claim. And Mr B was initially without a vehicle because of the damage arising from the accident. But, as the Investigator set out, I'm satisfied that there were around three months of avoidable delays in repairing the vehicle. And I think Tradex should compensate Mr B for this.

I've seen evidence that Mr B did look to mitigate his losses, but he was unable to do so. So I agree with the Investigator that Tradex should pay Mr B three months lost earnings. And I'm satisfied £1,957 is fair compensation for this. I also agree with the Investigator that Tradex should refund the £298 Mr B paid to MOT the car and get a new vehicle licence. I also think £200 is fair compensation for distress and inconvenience the delays caused Mr B.

### **My final decision**

For the reasons I've set out above, it's my final decision that I uphold this complaint and I require Tradex Insurance Company PLC to do the following to put things right:

1. Pay Mr B £1,957 to reflect his lost earnings arising from the delays in repairing the vehicle\*;
2. Refund the £298 Mr B paid to MOT the car and get a new vehicle licence\*; and
3. Pay £200 in compensation for distress and inconvenience the delays caused Mr B.

\* It should add 8% simple interest per year from when Mr B paid these until he gets them back. If Tradex Insurance Company PLC thinks that it's required by HM Revenue & Customs to deduct income tax from that interest, it should tell Mr B 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 if appropriate.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr B to accept or reject my decision before 29 May 2025.

Guy Mitchell  
**Ombudsman**