DRN-5729767

The complaint

Mr Q has complained about his commercial vehicle insurer Accredited Insurance (Europe) Ltd regarding a claim he made to it in 2023.

What happened

There was an incident in 2023 in which Mr Q's vehicle was damaged, he made a claim and AIE took the vehicle for repairs. Mr Q wasn't happy with the repair. AIE had an engineer assess the vehicle and their report confirmed some work had not been completed. To that point Mr Q had made several complaints to AIE, the last of which was answered by it in January/February 2024.

As of December 2023 AIE had told Mr Q that he could provide an estimate from his own repairer which it would then look to approve so work could be done. It reaffirmed this in its final response issued in January/February 2024. On 10 January 2024 Mr Q provided an estimate to AIE. AIE passed it on to its engineer and the estimating repairer was contacted and given authorisation to complete the repairs. The repairer used the only contact detail it held for Mr Q, an email address, to invite him to book the vehicle in for repair but heard nothing from him.

In the meantime, having waited for a while and heard nothing from AIE about whether the estimate had been authorised, Mr Q began trying to chase AIE for an update. He's reported calling and calling it and not being able to get through and/or it not calling him back. He said that whilst he was waiting he didn't use the vehicle for a time, using his private car instead putting miles on it. But he's also said he lost work because it wouldn't have been professional to use the vehicle in its damaged state (roadworthy but scuffed from the collision where a car scraped along his vehicle's side). Also that he incurred costs because he hired a vehicle to use rather than his damaged one. He's said he'd been very angry about everything and feels the stress contributed to a heart attack which he suffered around August 2024.

AIE, in a call with Mr Q in March 2025, apologised. It said it would get the repair sorted as soon as possible. It acknowledged some compensation was likely due for the matter remaining outstanding all of this time. Mr Q advised AIE that he had already complained to the Financial Ombudsman Service and AIE said it would then leave the issue of compensation for us to decide. It did contact the repairer, initially authorised in 2024, about booking Mr Q's vehicle in for repair.

Our Investigator reviewed Mr Q's complaint – she explained that she couldn't look at historic issues as dealt with in the FRLs AIE had issued, noting that regarding the estimate AIE had invited, which Mr Q had submitted and which he'd been waiting for an answer on for a year, AIE hadn't issued an FRL. Regarding that complaint, she was satisfied that AIE had unreasonably delayed the claim, that it had failed Mr Q and, as a result, he'd likely suffered significant distress and inconvenience. She said it should pay him £600 compensation. However, she felt that the unresolved damage to the vehicle would have been unlikely to negatively impact Mr Q's reputation, if he had used the vehicle. So she wasn't minded to say AIE should have to compensate Mr Q for any reported losses in that respect. She said that she couldn't reasonably direct AIE regarding the claim moving forwards, but commented that AIE should contact Mr Q about how it intends doing so, taking into account any deterioration or increase in cost of repair since the initial estimate in 2024 and Mr Q's preference now being a cash settlement.

AIE did not respond to our Investigator's view. Mr Q said the compensation was not enough, not least given the losses he'd incurred because he hadn't used the vehicle. The complaint was referred for an Ombudsman's 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 find my view is the same as that of our Investigator and for the same reasons. In short AIE failed Mr Q and he was caused distress and inconvenience as a result. Also like our Investigator though I'm not going to require AIE to compensate Mr Q for his reported lost earnings, nor comment on what AIE should do now to finally resolve the claim. I've set out my findings below.

<u>The upset (distress and inconvenience)</u>

Mr Q was left in a very unsatisfactory position by AIE. At the start of 2024 AIE had admitted to failing to satisfactorily repair his vehicle. It had invited his estimate for resolving that, which he sent to it promptly. As far as I can see AIE did action that – but it didn't tell him it had done so. Mr Q then, as many policyholders would, waited to hear from AIE. Then, when he hadn't heard for a while, he chased it. Mr Q reports that all of his chasing – sometimes spending a day at a time trying to get through to AIE, was all to no avail. AIE has not disputed Mr Q's recollection in this respect.

I note Mr Q has described how angry and frustrated he was with AIE. I don't doubt that this has caused him a lot of upset and it's clear that went on for just over a year, until after Mr Q had complained to this Service and the conversation he then had with AIE. I also note that Mr Q says this whole ongoing issue contributed to his heart attack. I haven't seen any evidence of that. However, I can certainly appreciate Mr Q's strength of feeling on this matter and, whether or not the stress AIE had caused him was a causative factor in his medical emergency – Mr Q should not have been in a position, having had the heart attack, where this claim was still ongoing and unresolved, and where he was therefore worrying it had drastically affected his health. Taking everything into account, I'm satisfied that £600 compensation is fairly and reasonably due; it's in line with our guidance as well as awards we've made in similar circumstances.

I'm aware that Mr Q has said £600 is not enough compensation. But he has said that in connection with his concern about the financial impact of this matter. We deal with financial costs/losses separately to compensation for distress and inconvenience.

Financial costs/losses

As noted in my background above, Mr Q has said a number of things about what happened when he couldn't get in touch with AIE about the estimate he had provided to it in early 2024. I don't doubt that Mr Q likely changed the way he used the vehicle, at least in the short-term whilst he patiently waited to receive an update. But I've not seen from Mr Q either any evidence as to additional costs or losses accruing against his personal car, details of work which was lost or substantiated hire costs which were incurred, all because the damaged vehicle covered by AIE wasn't used. If a complaining policyholder wants an insurer to reimburse or compensate them for financial loss, it is up to them to show that such a loss or cost has indeed been incurred. It isn't possible to just assume it has.

That said I'm also mindful of the photos of the unresolved damage and the engineer's report about those issues. This was not a case of a significantly, substantially damaged vehicle. Rather the vehicle had a few minor scrape marks. The vehicle was completely roadworthy and I've not seen anything which gives me good cause to think that using it would likely have affected Mr Q's professional reputation. In saying that, I note that Mr Q's business is as a technical services provider for heating and coolant systems. In my view, work like that would not be judged or found lacking by a work's vehicle having some minor body work damage as was the case here. If Mr Q chose not to use his vehicle because he believed his reputation would be damaged, and incurred costs instead as a result, that wasn't reasonable in my view. It's not a loss I'd find it fair to make AIE pay compensation for.

Resolving the claim

AIE has agreed to get the claim back on track and I accept that this now needs resolving by AIE without any further delay. However, I can't reasonably make any direction to AIE regarding settling this matter at this time. Since the complaint was made to us it seems Mr Q may not now be prepared to accept repair of the vehicle, even though that repair was authorised by AIE to be carried out by a repairer of his choosing. But, because of the way this situation including the current complaint has developed, a debate about how best to now resolve the claim is yet to take place between AIE and Mr Q.

When Mr Q complained to this Service in February 2025, he had not heard from AIE at all about the claim, not since sending it his estimate in early 2024. When he and AIE did speak, in March 2025, before his complaint with this Service progressed to assessment, its immediate response was to try and get the claim and repair back on track. That was not an unreasonable thing for it do at that point. But, now it is aware that Mr Q is no longer prepared, or may not be prepared to accept a repair, it will need to review matters and discuss with him what it is prepared to do to finally settle this claim – and in a situation where the repairs are only outstanding because of failures by it; initially its own repairers failing to complete satisfactory repairs and then by its failure to contact Mr Q. I trust Mr Q won't be given further cause to complain but, if once AIE has told him how it intends to settle matters, he has any further concerns, he'll be able to make a further complaint to AIE, which he can then refer to this Service if unresolved – subject to the usual rules and time limits that apply.

My final decision

I uphold this complaint. I require Accredited Insurance (Europe) Ltd to pay Mr Q £600 compensation for the upset caused.

Under the rules of the Financial Ombudsman Service, I’m required to ask Mr Q to accept or reject my decision before 2 September 2025.

Fiona Robinson
Ombudsman