

## **The complaint**

Mr C has complained about the way his commercial motor insurance claim was handled by Tradex Insurance Company PLC.

## **What happened**

Mr C made a claim following a road traffic accident on 7 September 2023. During the early part of the claim Mr C expressed his dissatisfaction to Tradex about how the claim was proceeding and being handled. Tradex wrote to Mr C on 14 February 2024 with its final response to the complaint.

Tradex hasn't consented to us considering this part of Mr C's complaint as it felt he referred it to us too late. I considered this under a separate complaint reference and I decided it fell outside of our jurisdiction. I won't therefore be commenting on it here.

Mr C made a further complaint to Tradex in March 2024. Tradex wrote to Mr C on 2 April 2024 with its final response to this complaint. It offered him £164.05 compensation for taxi fares he'd incurred due to further delays and £25 for the lack of communication and updates.

Mr C made a further complaint to Tradex in June 2024. Tradex wrote to Mr C on 18 October 2024 with its final response to this complaint. It offered him £300 compensation for the distress and inconvenience caused, interest on the previous transport costs it had paid, £540.75 (plus interest of £17.32) for new transport costs claimed, £50 for car mats and £3,306.47 as a cash settlement in lieu of outstanding boot and wheel repairs.

Further correspondence between Tradex and Mr C ensued – mainly due to Mr C not accepting Tradex's offers and him feeling it hadn't sufficiently reimbursed him. On 5 December 2024 Tradex wrote to Mr C confirming its position. It also offered a further £150 compensation for the inconvenience caused by it not checking whether the cash settlement for the outstanding repairs could be sent by cheque.

## **What I provisionally decided – and why**

I issued a provisional decision which explained why I didn't think the complaint should be upheld. The relevant parts of my provisional decision are outlined below and form part of my final decision.

Various complaint points were raised by Mr C at various times throughout his claim.

### *Out of jurisdiction*

- As mentioned above, I'd separately concluded that we were unable to look at certain parts of Mr C's complaint. I didn't therefore consider the following complaint points:
  - delays up to 14 February 2024
  - further damage caused to the car – including alleged missing items
  - Tradex not declaring the car a total loss/write-off

- the policy excess being payable
- Mr C being misinformed that the repairs had been completed
- whether the offers Tradex made in its 14 February 2024 letter to resolve the matter were fair.

### *Delays*

- Throughout the claim Mr C had complained about the length of time taken to repair his car. The first period I considered was from 14 February 2024 (the date of Tradex's first final response letter) to 16 May 2024 (the date Tradex told Mr C he could collect the car from the repairer and take it to the main dealer for the hybrid system to be checked).
- In its final response letter dated 2 April 2024 Tradex referred to a medical mandate it sent to Mr C on 23 February 2024 that hadn't been completed. It wasn't clear to me why the mandate was needed or why it would have delayed Mr C's claim. If it was needed, Tradex knew the circumstances of the accident – ie that Mr C passed out at the wheel – from the outset. I thought if it needed a medical mandate completed it should have arranged this at the start of the claim. So I wasn't persuaded that Mr C not completing the mandate was a reasonable explanation for any delay between February and April 2024.
- On the face of it three months seemed to me an excessive amount of time to complete any outstanding repairs. So without any further explanation from Tradex (which I'd asked for) I concluded that it unreasonably delayed the settlement of the claim between February and May 2024.
- Following the hybrid check the boot and wheel repairs were still outstanding. In terms of the time taken to settle the issue, it wasn't until 18 October 2024 that Tradex confirmed its agreement with the main dealer's repair estimate. In my view, Tradex lost sight of the fact it had previously agreed to repair the outstanding damage on the car. In my view, to have treated Mr C fairly all repairs should have been completed by the repairer before the car was released to Mr C in May. It wasn't clear to me why they weren't (again, I'd asked Tradex for an explanation). As all the outstanding repairs weren't completed before releasing the car back to Mr C, I concluded that Tradex treated Mr C unfairly.
- I considered the delays as part of the overall compensation below.

### *Mr C being given misleading information*

- Mr C said Tradex gave him misleading information. In response to Mr C's complaint Tradex asked him for further details of when the misleading information was given so it could investigate the matter further. I couldn't see that Mr C provided Tradex with anything further.
- Mr C needed to do more to show/prove that he was misled – him simply telling Tradex he'd been misled was insufficient. In my view, Mr C hadn't sufficiently shown that he was misled by Tradex (apart from in respect of the repairs being completed – which was part of the first complaint he made to Tradex). I therefore concluded that Tradex's response was fair.
- Accordingly, there were no grounds for me to require Tradex to do anything further and I didn't uphold this part of the complaint.

### *The car being lost*

- Mr C complained that following the accident his car was lost. In response to the complaint Tradex told Mr C his car had never been lost. It said it was recovered by one towing company on 22 September 2023, where it remained until 6 November 2023 when it was collected by another towing company and taken to the repairer.
- I hadn't seen anything which suggested or showed that Mr C's car was ever lost or that it wasn't transported as outlined by Tradex. I therefore concluded that Tradex hadn't acted unfairly in this respect.
- Accordingly, there were no grounds for me to require Tradex to do anything further and I didn't uphold this part of the complaint.

#### *Repairs continuing when Mr C asked for them to stop*

- Mr C complained that repairs continued even though he'd asked for them to stop. In response to the complaint Tradex acknowledged that Mr C had asked for the repairs to stop but it said by this stage most of the accident-related repairs had progressed and had been completed.
- Ultimately it was Mr C's car so if he asked for the repair work to stop I thought Tradex should have acceded to that request. However, I didn't think Mr C had shown that the repair continuing had any negative effect on him. In fact, had they stopped I thought it most likely they would have taken even longer – meaning the hybrid system check would have taken place later than it did. It was also possible the repairer might have started charging for storage (which Mr C might have been liable for as it would have been his decision to stop the repairs) or might have refused to keep the car on their premises.
- As Mr C hadn't shown that he was adversely affected by the repairs continuing there were no grounds for me to require Tradex to do anything further and I didn't uphold this part of the complaint.

#### *Lack of communication and updates*

- Tradex had acknowledged that on some occasions during the claim the level of communication and updates fell below the standards it expected. It apologised for any stress or inconvenience caused to Mr C. I considered this as part of the overall compensation below.

#### *Taxi/train fares*

- Mr C felt one month was a reasonable amount of time to repair his car so he should be reimbursed for all his travel costs from 7 October 2023 until the car was fully repaired. In response to the complaint:
  - Tradex initially offered to reimburse Mr C's travel costs during two periods of delay it had identified between 14 and 18 December 2023 and 18 and 24 January 2024 (the offer was £164.05 plus £3.33 net interest); it said two train fares fell outside the periods of delay it had identified and that although one other fare fell within the identified period of delay it was for five people and the email on the receipt wasn't Mr C's email; it therefore asked Mr C for a further explanation and evidence that the fare was paid by him so it could consider the matter further

- Tradex later offered to reimburse Mr C's travel costs from 29 March to 5 June 2024 (the offer was £540.75 plus £17.32 net interest); it also apologised to Mr C for the inconvenience of having to arrange alternative travel during this time.
- Tradex said other losses Mr C had mentioned hadn't been evidenced.
- I wasn't able to consider what delays Tradex was responsible for up to 14 February 2024 as they formed part of the complaint I'd decided was outside my jurisdiction. So in considering Tradex's initial offer I only looked at the delays it took responsibility for. In that regard, I was satisfied based on what I'd seen that Tradex's offer was fair as it covered the costs Mr C had evidenced. I thought Tradex's offer to consider the train fare for five passengers further once Mr C provided an explanation was fair.
- I was satisfied that Tradex's second offer was fair as it also covered the costs Mr C had evidenced.
- Mr C told us recently his car still hadn't been repaired – he said because Tradex refused to wait until repairs were completed before demanding payment of the excess. He said that because of this he had to continue using alternative transport and his travel expenses were ongoing.
- In my view, there were no grounds to require Tradex to reimburse Mr C for any travel costs he incurred beyond 5 June 2024. This was because the main dealer confirmed the car was driveable from that point. Further, Tradex made a fair offer to Mr C for the outstanding repairs on 18 October 2024. He therefore at that point could have received payment and arranged the repairs (which would fix any outstanding problems). It was Mr C's choice to not do that and instead complain about the excess and incur further transport costs. That was Mr C's prerogative. But I didn't think it was fair to make Tradex reimburse him for any travel costs simply because he chose not to arrange the repairs.
- There were no grounds for me to require Tradex to do anything further and I didn't uphold this part of the complaint.

*Mr C can't now licence the car as a taxi*

- Mr C said the delay in repairing his car meant he could no longer licence it as a taxi. He explained this was because the local Council rules for private hire taxis said cars can't be older than 3½ years from the date of first registration. He said he was going through the licensing application at the time of the accident.
- In response to the complaint Tradex said Mr C's car was first registered on 2 March 2020 – which meant, given the 3½ year age limit, the last date Mr C was eligible to apply to licence the car as a private hire taxi was 2 August 2023. As the accident was on 7 September 2023, Tradex felt the car was already too old. It therefore didn't agree that the claim or Tradex's handling of it resulted in Mr C being unable to licence the car as a taxi.
- The evidence I'd seen suggested that Tradex was correct in that Mr C's car was first registered on 2 March 2020. So it was already too old to be licenced as a taxi at the time Mr C was involved in the accident. I hadn't seen anything showing or proving that Mr C was in the process of going through the licencing application at the time of the accident. And I hadn't seen anything to show/prove that his application was denied because of the length of time the repair took. I said this because following the accident Mr C's car was always going to be off the road due to the damage caused and the repairs that were

needed. And it was entirely plausible in my opinion that the accident itself and the associated repairs were contributory factors to any application being denied. In any event, it wasn't clear to me why Mr C couldn't have continued with the application even though his car was in for repairs.

- Overall, I wasn't persuaded that Tradex's claim handling was the reason why Mr C wasn't able to licence his car as a taxi. Accordingly, there were no grounds for me to require Tradex to do anything further and I didn't uphold this part of the complaint.

#### *Hybrid system*

- It appears that as part of the initial recovery process following the accident the hybrid system was disabled by the recovery agent. Mr C was concerned that this caused some damage to the system. In its initial response to the complaint Tradex told Mr C that once the outstanding repairs had been completed he would need to arrange for the main dealer to inspect the hybrid system.
- The car was checked on 5 June 2024 and the main dealer's report said "*found fault code P268172 (engine cooler bypass valve actuator open) reset code – advised cust to drive 500 miles and rebook for code check and HHC*". Tradex told Mr C it would cover the cost of the hybrid system fault and it asked Mr C to provide a copy of the invoices.
- Tradex later spoke with the main dealer, who said/confirmed:
  - the initial health check was done on 5 June – the car was drivable at that point and Mr C was told to drive it for 500 miles
  - there wasn't anything faulty with the hybrid system – it only failed the check because of an issue with the battery
  - there was no cost to reset the system
  - another health check was done on 30 September and as far as it could tell there was no issue.
- Tradex apologised to Mr C that the remedial action was needed to reset the fault codes.
- I wasn't persuaded there was anything further Tradex needed to do. This was because I thought Mr C's fears were largely unfounded. There was obviously a fault given the results of the initial check but this was quickly rectified by the main dealer at no cost to Mr C. There were no issues with the hybrid system itself and, to my knowledge, there hadn't been any issues since.
- I therefore concluded that Tradex's response to this part of the complaint was fair and there were no grounds for me to require it to do anything further. Accordingly, I didn't uphold this part of the complaint.

#### *Boot/wheels repair*

- Mr C felt Tradex should cover the repair costs for the boot and wheels because they were damaged at some point during the recovery and storage of his car immediately following the accident.
- In its response to the complaint Tradex said:
  - on 14 February 2024 it would carry out any outstanding repairs – including to the rear bumper and the wheels

- on 18 October 2024 it agreed with a repair estimate Mr C had provided from the main dealer
  - if further damage was found the main dealer needed to contact it with an amended estimate so that any further repair costs could be approved
  - it would pay the repair cost (less the policy excess) to Mr C in lieu of the repairs
  - it apologised for not putting this issue right in the first instance.
- Mr C disagreed with the cash offer because he didn't think the excess should be deducted.
  - Tradex confirmed in response to the original complaint that the excess hadn't been waived and was payable. As this wasn't in my jurisdiction it wasn't for me to judge whether this was fair. However, as Tradex said the excess was payable, I was satisfied that Tradex's cash offer was fair as it was in line with the estimated repair costs.
  - Accordingly, there were no grounds for me to require Tradex to do anything further and I didn't uphold this part of the complaint.

#### *Loss of earnings*

- Mr C's argument was that he'd lost earnings because he was unable to licence his car as a taxi. He explained to Tradex that he'd been a licenced taxi driver for 10+ years but he hadn't worked since the [Covid] lockdown. He said following the accident he decided to lease his car out as a taxi and he had a formal written agreement to do so (for £350 a week) once it was repaired.
- In response to the complaint Tradex told Mr C that as he hadn't worked since the Covid lockdown it wouldn't consider any claim for lost earnings [as a taxi driver] as any change in his income didn't result from the accident. It also said Mr C hadn't provided any evidence that he'd taken steps to lease the car, had a lease agreement in place or that the car had been leased out previously. In any event, as Tradex didn't feel its claim handling was the cause of Mr C being unable to licence the car as a taxi, it didn't agree that its claim handling resulted in any loss of earnings due to Mr C being unable to lease the car as a private hire taxi to another driver or prevent it from being unfit for future use as a private hire taxi.
- By Mr C's own admission he hadn't worked as a taxi driver for a number of years before the accident. I wasn't therefore persuaded that the claim and/or Tradex's handling of it led to him losing direct income as a taxi driver.
- I'd already concluded that Tradex's claim handling didn't lead to Mr C being unable to licence his car as a taxi. With that in mind, for the same reasons, I concluded that Tradex's claim handling didn't lead to Mr C losing income through not being able to lease his car to another driver. In any event, I hadn't seen any evidence to show that a lease agreement was in place or agreed.
- Accordingly, there were no grounds for me to require Tradex to do anything further and I didn't uphold this part of the complaint.

#### *Car mats*

- Mr C felt Tradex should pay for a missing driver's car mat. In response to the complaint Tradex initially agreed to cover the cost of replacement mats up to £50. Mr C said the mats Tradex based its offer on were unsuitable as they didn't match the original ones.

Tradex therefore said if Mr C sent it receipts for new mats it would reimburse him the difference between the £50 offered and the replacement cost.

- In my view, Tradex had essentially offered to pay the full cost of replacement mats. I concluded that offer was fair as it would fully reimburse Mr C for any costs he incurred.
- Accordingly, there were no grounds for me to require Tradex to do anything further and I didn't uphold this part of the complaint.

#### *Tax and MOT*

- Mr C felt that as he couldn't use his car for the majority of the year he wasn't able to benefit from the tax or MOT and, therefore, that he'd incurred a financial loss. In response to the complaint Tradex said Mr C was liable for these costs as he's the owner of the car. And while there had been delays with the claim it didn't think this made it responsible for the costs – which Mr C would always have been required to pay.
- I thought Mr C's argument was misguided – I wasn't persuaded that he suffered any financial loss here. This was because if the accident had never occurred, or if the car had been fully repaired promptly, Mr C would still have incurred the tax and MOT costs. So what he ended up paying for the tax and MOT was exactly the same as what he always would have paid.
- What Mr C lost was the use of the car. But Tradex had offered compensation for that elsewhere ie additional transport costs Mr C incurred and compensation for distress and inconvenience.
- I therefore concluded that Tradex's response was fair. Accordingly, there were no grounds for me to require Tradex to do anything more and I didn't uphold this part of the complaint.

#### *Complaint handling*

- I could only consider complaints about activities that were regulated by the Financial Conduct Authority, or activities that were ancillary to a regulated activity.
- Complaint handling wasn't a regulated activity. Further, I didn't consider Tradex's handling of Mr C's complaints to be ancillary to the regulated activity of carrying out contracts of insurance (which Mr C's complaint – ie about Tradex's claim handling – fell under).
- Accordingly, I concluded this part of the complaint wasn't in my jurisdiction.

#### *Hire car costs*

- Mr C said he'd hired car from 14 October 2024 (at a cost of £125 per day) because he couldn't use his car due to the incomplete boot repairs. He said his car wasn't fit for its intended purpose as his son's pram wouldn't fit in. In response to the complaint Tradex said the car was driveable from 5 June 2024 and although the boot was out of use it was reasonable that standard journeys for personal use could be completed. It also said the cash payment for the outstanding repairs – which would have enabled Mr C to arrange the outstanding repairs with the main dealer – had been offered to Mr C before he told it about the hire car costs.

- Tradex nevertheless recognised there may have been journeys where the only option was to seek alternative transport and that misinformation it gave Mr C about how the cash payment could be made caused a delay between 26 October and 15 November 2024 which might have added to Mr C's hire costs. It said it was willing consider these costs and it asked Mr C to provide evidence of the hire invoice and the specification of the hire vehicle.
- Mr C needed to do more to show/prove the costs he'd claimed for – him simply telling Tradex he'd incurred the costs was insufficient. In my view, Mr C hadn't shown that he needed to hire a replacement car (particularly given, in the main, his car was driveable and Tradex told him on 18 October that it agreed with the repair estimate – which I'd concluded was fair) or that he actually did so.
- I therefore concluded that Tradex's response to the complaint was fair. Accordingly, there were no grounds for me to require Tradex to do anything further and I didn't uphold this part of the complaint.

#### *Recovery costs*

- Mr C said that due to continued problems with the boot he incurred breakdown recovery costs. In response to the complaint Tradex told Mr C it would consider these costs if he provided invoices for any breakdown recovery service he needed and confirmation of the reason for the call out it.
- Mr C needed to do more to show/prove the costs he'd claimed for – him simply telling Tradex he'd incurred the costs was insufficient. I wasn't persuaded that Mr C had sufficiently shown that he incurred any recovery costs and/or that any recovery costs he incurred were due to problems with the boot. I therefore concluded that Tradex's response was fair.
- Accordingly, there were no grounds for me to require Tradex to do anything further and I didn't uphold this part of the complaint.

#### *Distress and inconvenience*

- In total Tradex had offered Mr C £475 compensation for its handling of the claim from 2 February 2024. I'd concluded, or Tradex had accepted, that Tradex treated Mr C unfairly in respect of delays in the claim and a lack of communication and updates. I concluded that £475 compensation was fair for the distress and inconvenience suffered. This was because this type of award is what I usually considered fair where a business's mistake had caused considerable distress, upset and worry and/or significant inconvenience that needed a lot of extra effort to sort out. Typically, the impact lasted over many weeks or months. I thought the impact on Mr C of the delays and lack of communication fell into this category.
- As I'd said above, Mr C recently told us his car had still not been repaired. For the same reasons as outlined above, I didn't think there were grounds to require Tradex to pay Mr C any compensation for distress or inconvenience he suffered due to not having the use of his car from 5 June 2024. This was because the main dealer confirmed the car was driveable from that point and Tradex had made a fair offer for the outstanding repairs on 18 October 2024.

#### **Responses to my provisional decision**

I haven't received anything further from Mr C or from Tradex.

### **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 there are no further comments for me to consider, my final decision remains as outlined in my provisional decision – for the same reasons.

### **My final decision**

I don't uphold this complaint

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr C to accept or reject my decision before 17 March 2026.

Paul Daniel  
**Ombudsman**