

complaint

Mr H complains about how Zurich Insurance PLC has handled his claim made under his motor insurance policy after his car was vandalised. He wants his car to be repaired by an authorised engineer and compensation for his trouble and upset.

background

Mr H's car was broken into and damaged. Zurich had its own engineer and an independent engineer assess the car. After six months, it offered Mr H a cash in lieu payment for less than the repairs estimate. Mr H didn't think this was enough. He was also unhappy with Zurich's delays in handling the claim.

Our adjudicator recommended that the complaint should be upheld in part. He thought Zurich had reasonably assessed the car and that it was entitled to offer a cash in lieu payment to settle the claim. But he thought it'd taken too long to make its decision. He thought it should pay Mr H £150 compensation for this. Zurich agreed to do this.

Mr H replied that the repairs for the car had cost £2,500 but Zurich had only offered him £1,500. He said the car had been further damaged following the break in from being kept outside and being dirtied by mechanics and others.

my findings

I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint.

Mr H says that he wants his car repaired. But Zurich will only pay for repairs caused by the incident. It says that these don't include the damage to the car's engine.

We're not engineers. We don't assess how damage to a vehicle would be caused. This is a matter for the experts in these situations, the insurance companies and engineers. Our role in these complaints is to determine whether an insurance company has considered all the available evidence and whether it can justify its decision to not pay for additional repairs.

Mr H's car was examined by Zurich's appointed repairer about two weeks after the incident and subsequently. He said it had damage to the windows, the wiring and the engine. Zurich's engineer thought that some of the damage wasn't related to the attempted theft. So Zurich decided to pay only for the repairs it said were theft-related.

Mr H objected, so Zurich agreed to appoint an independent engineer to decide what was theft-related, what was due to the car not being started for three months and what was unrelated. This assessment took place three months after the incident.

The independent engineer said the engine issues weren't related to the theft. So Zurich decided to offer cash in lieu for the repairs it said were theft-related. These were estimated by its engineer at the approved repairer's rates. This was less than the independent engineer's estimate.

Mr H said that his car was well-maintained. Both engineers said the car's condition was below average and that it had pre-existing damage. I haven't seen any expert engineer's evidence to contradict this. So I think Zurich has justified its decision to pay only for the repairs the engineers said were related to the attempted theft. Zurich offered to consider any further engineering evidence if Mr H provided it. I think this was reasonable.

Mr H wanted Zurich to repair the car rather than pay cash in lieu of repairs. But I think it's entitled to do this under the policy terms and conditions. So I can't say this is wrong and I can't require it to repair his car.

Mr H said the actual repairs had cost more than Zurich offered. But I haven't seen evidence that these included just what was theft-related. The amount Zurich offered as cash in lieu was based on the approved garage's rates for repairing the theft damage, less the policy excess. I think this was reasonable.

Mr H said his car had been dirtied whilst at the approved repairers. But I haven't seen any independent evidence to confirm this.

The adjudicator thought Zurich had taken too long to make its decision to pay cash in lieu to settle the claim. It agreed to pay Mr H £150 compensation for this. I think this is reasonable as it's in keeping with the level we'd award. I don't think it needs to offer more.

my final decision

My final decision is that I uphold this complaint in part. I require Zurich Insurance PLC to pay Mr H £150 compensation for its delay in settling his claim, as it's agreed to do.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr H to accept or reject my decision before 11 April 2016.

Phillip Berechree
ombudsman