

complaint

Mrs R complained that the repairs carried out by CIS General Insurance Limited under her motor insurance policy weren't satisfactory.

background

Mrs R's car was damaged in an accident in January 2014. CIS sent her car to their approved repairers. When it came back Mrs R noticed that the bumper was dropping away from the bodywork. The approved repairers sent a technician to her house to tighten the bumper. After that Mrs R noticed two further problems with her car. These were bubbling paint, and a gap between the bumper and the bodywork which collected rainwater. Mrs R blamed these problems on the bumper having been tightened too strongly.

She complained to CIS and the approved repairers. Both companies said that the bubbling paint was due to corrosion which had been there before the accident. CIS said that a gap around the boot is not unusual in that model of car, and their engineer had confirmed this having looked at two other cars of that model which had similar gaps.

Mrs R said her car didn't have corrosion before the accident where the paint was bubbling. She went to her local garage, where she'd bought the car, which quoted £56.26 to fix the bumper and £260 to fix both problems. The approved repairers offered to pay for the repairs. Her local garage did the work in May 2014 but couldn't get the bumper properly in position. Later her garage suggested they could fix the problem by repairing a rear quarter panel.

In the meantime Mrs R had complained to us. An adjudicator asked CIS on 13 November 2014 if they would pay for those repairs to the quarter panel, subject to an estimate from Mrs R's garage. CIS agreed to this on 6 January 2015 and confirmed it on 26 February 2015. However CIS later said they didn't realise, when agreeing, that the estimate was £1,569.64, which was more than the value of Mrs R's car.

The adjudicator thought that CIS should still pay for those repairs but CIS didn't agree. So Mrs R's complaint came to me to decide.

provisional decision

I gave a provisional decision on 14 September. I said I didn't think CIS had to pay for further repairs to Mrs R's car but should pay Mrs R £100 compensation for distress, as they'd agreed to fix her car but then withdrawn their agreement. CIS accepted my provisional decision. Mrs R made some further comments which I'll talk about later. First, I'll explain how I reached my provisional decision.

Quality of repairs

Mrs R was worried that the gap between the bumper and the bodywork, which her garage couldn't entirely fix, would collect rainwater and cause rust. She thinks it's hard to fix now because the original repairs, by CIS's approved repairers, were done badly. CIS don't agree. Although their approved repairers did apologise to Mrs R for their poor service and pay her garage £260 to put right faults for them, over £200 of that sum was for the bubbling paint. So I said it wasn't clear that the approved repairers thought they were responsible for the gap.

When there's a dispute over the quality of repairs I usually look for an assessment by an independent expert. In this case I saw an assessment from Mrs R's garage. The adjudicator asked that garage to comment on the original repairs by CIS's approved repairers. The garage replied by email on 20 June 2014 and said:

"There is no serious problem with her car, with regards to the quarter panel repair it is a good standard of repair and the quarter panel is just not flush with bumper alignment on the side but is more than acceptable in my opinion.....and getting the shape back can be very difficult and in my opinion a good job was done."

Later Mrs R's garage offered to estimate for improving the problem. But her garage didn't say it had changed its mind about what it said on 20 June. It didn't withdraw that statement. So I thought her garage still felt the original repairs were acceptable but wanted to be helpful to its customer Mrs R by improving on those repairs. In fact the estimate for doing so turned out to be £1,569.64 whereas the original repairs after the accident cost £736.28.

So I said I thought there wasn't enough evidence to show that the original repairs to the quarter panel and bumper area were unsatisfactory. And because of this I said I didn't think CIS had to pay for any further repairs.

Agreement

CIS said that the agreement was a misunderstanding. They also said that Mrs R's garage's estimate of £1,569.64 was "over the top" because it was higher than the market value of Mrs R's car and would improve her car to a better condition than before the accident. CIS estimated that Mrs R's car has a market value of £1,100.

Mrs R's motor policy says:

"...we will settle a claim for loss of or damage to the Insured Vehicle by, at our option, paying the reasonable cost of repair, arranging for the Insured Vehicle to be repaired or making a payment in settlement of not more than the market value."

This means that CIS don't have to pay more for repairs than the car's market value, meaning the price it would sell for. Mrs R said she doesn't want her car "written off", and anyway I thought CIS had already arranged reasonable repairs and so had met this term in the policy.

CIS said they didn't realise the repairs were going to cost £1,596.64. Although I think we could have highlighted the figures to CIS sooner and more clearly, CIS had two opportunities to check the sum they were agreeing to. The second time, the adjudicator attached Mrs R's garage's estimate but it seems that CIS didn't notice it before confirming their agreement to pay for the repairs. So I said CIS had raised Mrs R's hopes and then disappointed her, but could have avoided this by paying more careful attention to correspondence. That's why I proposed that CIS should pay Mrs R compensation of £100.

my findings

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

In response to my provisional decision Mrs R said she didn't know about the email which her garage sent to the adjudicator on 20 June 2014, and it didn't match what the garage had

said to her. However, that email is written evidence from an independent party and said clearly that the repairs to the bumper were “*more than acceptable*” and “*a good job*”. So it still persuades me that the repairs were of a reasonable quality, and I still don’t think CIS needs to pay for further repairs.

Mrs R also said she didn’t know that the original repairs cost £736.28, which she thinks shows that CIS were trying to repair her car cheaply. However, her garage’s estimate for getting her car to the condition she would like is more than her car’s market value, and I don’t think CIS has to pay this under her policy.

Mrs R told me that the new paintwork on her car is showing white dots when the car is washed. She says it was supposed to be guaranteed for five years. That’s a new complaint and Mrs R would have to put it to CIS. We can only look at a complaint where the business has looked into it and given its final response.

Mrs R doesn’t think £100 compensation is enough for what happened to her. I do appreciate that she’s fond of her car and depends on it. But I think her car is usable and I’m satisfied that £100 is in line with other awards we make, as described on our website.

my final decision

For the reasons given above it’s my final decision that I uphold this complaint in part. I require CIS General Insurance Limited to pay Mrs R £100 compensation for her distress after they agreed to fix her car and then withdrew their agreement.

Under the rules of the Financial Ombudsman Service, I’m required to ask Mrs R to accept or reject my decision before 6 November 2015.

Sandra Webber
ombudsman