

The complaint

Mr T complains about how Mulsanne Insurance Company Limited (“Mulsanne”) dealt with a claim he made on his motor insurance policy, following a fire in his vehicle.

What happened

Mr T had a car insurance policy with Mulsanne that began in November 2021.

In May 2022 his car was damaged by a fire so he made a claim on his insurance policy. Mulsanne arranged for his car to be collected and taken to an approved repairer in October 2023.

Mulsanne told Mr T that the damage caused to the vehicle isn’t covered by the terms of the policy so asked him to collect his car.

Mr T hasn’t been able to collect his car as he says the vehicle isn’t in a driveable state. Mr T says the garage is charging him for storing his vehicle and he doesn’t think that’s fair since he isn’t the one who arranged for it to be taken there.

Mr T wants Mulsanne to accept the claim and cover the storage charges. Because Mr T wasn’t happy he complained.

Mulsanne said Mr T was informed he would have seven days after the claim was declined before he would be responsible for any ongoing storage charges. It said it explained this to Mr T by telephone and followed this up with a letter. Mulsanne confirmed any costs prior to 16 November 2023 would be paid, but after this date the responsibility for those costs would fall to Mr T.

Mr T wasn’t happy with the response from Mulsanne so he referred his complaint to this service. One of our investigators looked into things for him. She said since Mulsanne gave him notice of the charges and explained the position to him a number of times by telephone she thought it had acted fairly.

Mr T remained dissatisfied. He said he wasn’t made aware of the storage charges and was put in a difficult position by Mulsanne. So his complaint has come 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.

Having done so, whilst I’m very sorry to disappoint Mr T, I think Mulsanne acted fairly by agreeing to pay the storage charges to 16 November 2024 and giving seven days’ notice of the charges that he would be liable for.

Mr T has made a previous complaint about the handling of the claim – this has been dealt with separately and doesn't form part of my decision. My decision focuses on the storage cost.

If Mulsanne had accepted Mr T's claim it would have been liable for the storage and return of the car as per the terms of the policy which say, *"If your car is in the United Kingdom and cannot be driven as a result of loss or damage which is covered under this policy, the insurer will cover the reasonable cost of protecting it and taking it to the nearest suitable repairer, safe place, or safe storage."* The policy goes on to say, *"the insurer will also cover the reasonable cost of delivering your car to you."* But Mulsanne didn't accept the claim. And so it wasn't liable for the storage charges.

In the letter dated 9 November 2023 it says, *"please can you arrange the recovery of your vehicle within the next 7 days to avoid any storage charges being applied. If you do not remove your vehicle, you will be liable for any storage charges after 16 November 2023."* So I'm satisfied Mulsanne made Mr T aware that it would stop paying the charges and gave reasonable notice that he would be liable for the storage costs if he didn't make arrangements to remove the car.

The claim notes provided to me show that on 10 November 2023 Mr T contacted Mulsanne. The advisor asked if Mr T had received the letter and Mr T confirmed that he had. The notes say, *"made him aware of storage charges. PH understood but won't get vehicle out of storage."* So I think Mr T was aware that he would be liable for the storage charges and could have taken steps to recover his vehicle, in order to avoid paying the charges.

There is another note dated 7 December 2023 that says, *"explained he was told he would need to arrange recovery or storage charges would be payable from 16/11."*

So I think Mulsanne told Mr T of the storage charges on more than one occasion, by telephone and in writing, and gave him notice of when he would be liable for those charges. And I think that's fair and what I would have expected it to do.

I do understand Mr T's frustration that his claim was declined and he was then liable for recovering his car. When he was told he would have to pay the storage costs for the car I imagine it would have been stressful. I can appreciate his disappointment when he learned the storage charge wasn't covered by his insurance. However I have looked at whether Mulsanne has acted in line with the policy when dealing with Mr T's claim. Having carefully reviewed the terms and conditions, and what has happened here, I'm satisfied it has.

My final decision

For the reasons I have given my final decision is that I don't uphold the complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr T to accept or reject my decision before 6 June 2024.

Kiran Clair
Ombudsman