

The complaint

Mr R complains about Covea Insurance Plc's (Covea) handling of his claim following contamination of a fuel additive system, under his motor insurance policy.

What happened

Mr R's car required repair work after a fuel additive system became contaminated. He took the car to a main dealer, and it told him the system needed replacing. Mr R says the advice from his car's manufacturer was to empty and flush the system. He made a claim to Covea, which it accepted. Mr R says Covea didn't challenge the repairs confirmed by the main dealer. He believes it should have.

Mr R says he's paid his policy excess for £350, and this claim will increase future premiums. He says he marked the cap where the fuel additive is filled up. After the repairs this mark remained. Mr R believes the main dealer flushed the system and didn't replace it as detailed in its invoice. He says he could've paid for the flush repair himself without making a claim.

In its final complaint response Covea says a main dealer carried out the repairs. This wasn't one of its approved garages. It says the main dealer was best placed to complete this type of mechanical repairer. Covea says it cash settled the claim with Mr R based on the quote he obtained from the main dealer. It says as it didn't appoint the repairer it won't look to take any action in relation to Mr R's concern that it didn't carry out a full replacement of the fuel additive system.

Mr R didn't think he'd been treated fairly and referred the matter to our service. Our investigator didn't uphold his complaint. He says Covea's policy terms allow it to determine how to deal with any claim. This includes a cash settlement for its policyholder to then pay for any repairs. He acknowledged Covea hadn't informed Mr R it wouldn't be responsible for any issues with the quality of the repairs by cash settling his claim. He thought it should have done.

However, our investigator says Covea confirmed its approach would've been the same as the main dealer. It explained the main dealer is best placed to determine the scope of these repairs. The cost of the work wouldn't have varied much even if one of Covea's approved garages could do the work. So, our investigator didn't think this had an impact on the outcome for Mr R.

Mr R didn't agree and asked for an ombudsman to consider his complaint.

It has been passed 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 I'm not upholding Mr R's complaint. Let me explain.

There's no dispute that Mr R's policy covered him for the repairs to his fuel additive system. However, his policy terms determine how Covea can choose to deal with his claim. The policy terms say:

"We have the right to choose which action to take in the case of any claim and we will do one of the following:

- *replace the damage; or*
- *replace what is lost or damaged beyond economical repair; or*
- *pay you cash for the amount of the loss or damage."*

I think these terms are clearly worded. Covea paid Mr R the cost of the repairs as detailed in the main dealer quote he obtained. It's explained that its panel of approved repairers weren't best placed to complete this repair. I don't think it was unreasonable when Covea asked Mr R to obtain a quote from a main dealer. It's not unusual for an insurer to rely on a main dealer to carry out some or all repairs relating to a claim. This was based on the advice of its engineers.

I understand Mr R wanted Covea to challenge the main dealer's approach to the repairs. But I don't think he's shown that this was something it should've done. In its submissions to our service Covea says the majority of the repairs its panel of repairers complete relate to bodywork. It says there are rare instances when mis-fuelling or contamination occurs. In these cases, it says the repairs are best dealt with by a service repair dealership (main dealer). This is the approach it took here. Covea says in the event of contamination the manufacturer generally advises a replacement of the system to ensure an effective repair. It says it wouldn't challenge this repair methodology as the manufacturer is best placed to determine this.

Having considered this evidence, I think Covea's explanation is persuasive. It was appropriate for a cash settlement to be paid in this scenario, based on the work costed by the main dealer.

Covea's policy terms don't say whether it will take responsibility for the work an unapproved repairer completes. I think this could reasonably have been explained to Mr R. I've thought about whether this negatively impacted on him in these circumstances. But I don't think it did. Covea's engineers maintain that the best approach was to replace the additive system. Its repairers couldn't do this work. Mr R needed the repairs completing. So, it was necessary for the main dealer to complete the repairs. I don't think Mr R has been disadvantaged as a result of this.

I've looked at the photos Mr R sent that show the marks he drew on the fuel additive filler cap. From what he says the marks are still there after the repairs. I have no reason to doubt what he R says. Based on this I can't be sure if the system was replaced, and the original cap reused. Or, as Mr R believes, the main dealer flushed the system instead of replacing it. However, this is a moot point. If Mr R considers the main dealer didn't carry out the work it said it did, he will need to raise his concerns with it directly. Covea did what it's expected to do under the cover provided by its policy and settled Mr R's claim so he could pay for the repairs himself. It isn't responsible for any disputes Mr R has with the main dealer regarding the work that was completed. I note there is no dispute that the car wasn't repaired, only that the work detailed on the quote wasn't completed.

I acknowledge Mr R's comments that he wasn't given an option of which garage to use. However, the claim records confirm there was an option of two main dealers in Mr R's locality. Mr R chose the closest. As discussed a main dealer was considered to be best placed to complete the repairs. So, I don't think Mr R was treated unfairly.

I'm sorry to disappoint Mr R. He clearly holds strong views about this matter. But I don't think Covea treated him unfairly when settling his claim in the way it did. It isn't responsible for a complaint Mr R raises with the main dealer about the work it completed. So, I can't reasonably ask it to do anymore.

My final decision

My final decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr R to accept or reject my decision before 25 October 2024.

Mike Waldron
Ombudsman