

BUSINESS SENSE by TIM KELLY

# Dealing with unfair terms and conditions

Many of you now know who I am. Some of you will have an idea of what I do and how I assist consumers. Do you know I also provide training for bodyshops?

I have seen a large spike in specific queries from bodyshops wanting assistance in dealing with insurers, where the insurer is both increasing their customers' excess and advising they will only pay what it would have cost them at their approved repairer.

For the first issue – overcoming increased excess – you can find free resource material that you can download and print off at web address “1” below.

The second issue is just as awkward as the first and the only real way of resolving either one is for the customer to take legal action. Insurers know this, and they know it is very unlikely this will happen. So what do you do?

Firstly, educate the customer, advise them that they have lawful entitlement to use you as their repairer, have them raise a complaint with the insurer that is not authorising repairs with you.

Unless the insurer agrees to contract on your terms, do not in any way agree to receive any authority from them.

As a side note, another issue I see is in repairs not having their own “Terms and Conditions of Contract”. When an insurer authorises repairs, remember that they are purchasing your services on your terms, not the other way around.

If you don't have any Terms and Conditions, you need them now. I have created a draft template you can use, which you can find at web address “2” below.

The option available to the customer is

to request a cash-in-lieu (CIL) settlement at your estimated cost (this also means the increased excess is not applicable), then the customer pays you directly for the additional cost. They then need to raise a complaint with the insurer for “failing to fulfil their contract of indemnity”. Then they need to escalate to the Financial Ombudsman Service showing proof they have paid the full cost of repairs. (The customer might need the assistance of someone like myself, because it is not a straightforward matter).

Should the vehicle require “supplementary” works, the customer is entitled to these costs. The CIL is not “full and final” settlement.

What if you don't want to use the above route, but negotiate with the insurer?

You need to exert your legal rights. You can do that using a document found at web address “3”. Feel free to download or copy and paste into your Audatex notes.

These tools are available to help the body repair industry fight back against insurer steerage and lack of profit. I happily give the above away for free, as I genuinely fear for the future of the industry if you do not take action.

What can you do? Glad you asked.

Any insurer that you find trying to do any of the above should be reported to the Competition and Markets Authority (<https://www.gov.uk/guidance/tell-the-cma-about-a-competition-or-market-problem#report-a-business-cartel>).

If a business enforces unfair terms in a consumer sales contract, or unfair consumer notices ([https://www.gov.uk/unfair-](https://www.gov.uk/unfair-terms-in-sales-contracts/unfair-)

[consumer-contracts](#)), they're taking part in illegal, anti-competitive behaviour.

If you suspect a business may be involved in anti-competitive activity, you can report your concerns by emailing general. [enquiries@cma.gov.uk](mailto:enquiries@cma.gov.uk). You can also report them to the FCA.

As a business, it is down to the owner of that business to ensure it succeeds. If it fails, it is down to them. You cannot hide behind external forces. If you want things to change, take action now. Doing nothing is not an option.



1. <https://www.motorclaimguru.co.uk/blog/losing-customers-to-insurance-companies-as-a-result-of-increased-excess-in-conjunction-with-bodyshopmag-free-resource-to-download-and-print-off-on-how-to-overcome>



2. <https://www.motorclaimguru.co.uk/blog/as-a-bodyshop-vehiclebodyrepairer-do-you-state-your-terms-of-business-do-you-even-have-any-use-my-standard-template-to-fightbackagainstinsurers-and-get-paid>



3. [www.motorclaimguru.co.uk/blog/consumer-rights-of-choice-to-choose-their-own-repairer-and-repairer-to-insurer-instructions-for-estimates-sme-businessassistance-consultancy-consumer-law-retainingcustomers](http://www.motorclaimguru.co.uk/blog/consumer-rights-of-choice-to-choose-their-own-repairer-and-repairer-to-insurer-instructions-for-estimates-sme-businessassistance-consultancy-consumer-law-retainingcustomers)