



Competition Commission's Private Motor Insurance Market Investigation Provisional Findings

Response of the Association of British Insurers

1. The ABI is the voice of insurance, representing the general insurance, investment and long-term savings industry. It was formed in 1985 to represent the whole of the industry and today has over 300 members, accounting for some 90% of premiums in the UK.

Executive Summary

2. The insurance industry welcomes the work of the Competition Commission (CC) to date and strongly supported the Office of Fair Trading (OFT) referring the market to the CC for investigation. In general, we agree with the analysis that the CC has undertaken to date in identifying the core issues leading to inflated costs and unnecessary frictional costs across the private motor insurance (PMI) market. What the insurance industry wants to see emerge from the CC's work is a market that functions efficiently and effectively for consumers, in particular through:
 - a reduction in the inflationary pressure put on the price paid by consumers for PMI;
 - an increase in the control an at-fault insurer has over the claims they are paying;
 - increased certainty for consumers on the handling of their claims; and
 - an improvement in the levels of quality and service insurers are able to offer their customers; with continued incentives for insurers to invest in product differentiation and improving customer service.
3. The ABI welcomes the opportunity to respond to the CC's provisional findings from its PMI market investigation. The core focus of our response is on Theory of Harm (ToH) 2, where the industry has significant concerns both in terms of the CC's provisional findings in relation to this ToH, the related adverse effect on competition (AEC), as well as the evidence that the CC has relied on to reach its provisional conclusions.
4. The ABI broadly agrees with the CC findings in relation to ToH1. The ABI agrees that the most significant concerns relate to the provision of temporary replacement cars. In this regard, insurers experience is that the concerns are by no means limited to excessive hire rates but that they also arise with regard to excessive hire durations.
5. The ABI initially responded to the MSXI's vehicle inspection study, where significant concerns with MSXI's report (the Report) were highlighted. Following this, a team from Thatcham Research Centre on behalf of the ABI (the Team) carried out further in depth analysis of the data supplied by the CC to provide an evidence-based response, from a research and engineering perspective, to the Report on the achievement of vehicle repair to pre-accident condition (PAC).
6. Following examination of the heavily redacted documents made available by the CC for inspection, the Team concurred with the ABI's response to the initial MSXI Report where considerable deficiencies were highlighted in the research methodology on which the Report's conclusions were founded. This is evidenced by:
 - 6.1. The original tender document was not available to view which made it impossible for the Team to assess MSXI's adherence to, and ability to deliver on, the original brief.

- 6.2. The Team observed a lack of rigour and conformity to the objectives, deliverables and processes laid out in the MSXI tender submission.
- 6.3. No evidence was provided of the current industry recognised technical competencies of the three inspectors who undertook the inspections, e.g. Automotive Technician Accreditation, or whether any insurance industry experience was represented within the MSXI team.
- 6.4. The Team noted the vehicle inspection sheet reporting was generally sparse; offering minimal explanation of faults found and there was a general lack of entries in the comment boxes.
- 6.5. Within the tender document it was clearly stated that a bodyshop facility would be used for the inspection of a more severe impact. No evidence was found to support the use of a bodyshop, in fact the Report caveats states “The inspection reports are opinion based – Our consultants are recognised experts in their field, but the inspections were not carried out under scientific or workshop conditions”. This comment reveals the MSXI Team did not make due provision for thorough inspections to be undertaken. Such a fundamental omission underlines the unreliability of the conclusions of the Report. There was also no evidence of the use of ramps or measuring equipment to check structural panels or suspension settings.
- 6.6. The Report used terms such as ‘Skeletal Damage’ which are not commonly used by repairers or insurance assessors and therefore should have been explained and examples given to aid understanding and quantification of the points being raised.
- 6.7. The omission of the vehicle repair process records, created by the repairer at the point of repair, casts doubt on the credibility of the vehicle inspections overall as the inspectors adopted a consumer perspective which lacked structure and technical conformity.
- 6.8. Adherence to an industry standard such as PAS 125 (Automotive Services-Specification for Vehicle Damage Repair Processes) would have provided rigour to ensure that even where minimal PAC information was available, consistency of inspection would be maintained.
7. Following access to the Data Room, the Team concluded the sample size of 104 vehicles were included as a result of customers agreeing to their vehicles being inspected, with 77 from Stage 1 at fault accidents and 27 from Stage 2 not at fault. This number is too small to draw meaningful conclusions on the whole of repair market, as these vehicles represent only 0.005% of insurance repairs conducted annually (estimated 2m insurer funded repairs in 2012).
 - 7.1. Further, it was noted that 35 of the 104 customers (34%) made the final decision as to who would carry out the repair. There was no indication in the Report if these repairers were insurer approved or were undertaken in accordance with Kitemark or vehicle manufacturer repair standards and, as a result, usual insurer quality controls may have been absent.
8. The figure of 34% customer chosen repairers would indicate a high level of “out of network” deployment which does not represent the industry estimate of 15-20% and further underlines the concern regarding the typicality of sample selection rendering the findings subject to bias, unreliable and unrepresentative.

9. The Team found no evidence from the information available in the Report to support the assertion that consumers are put at a disadvantage due to information asymmetries, leading to a lack of alignment between their interests and those of the parties which procure post-accident services on their behalf as outlined in ToH 2. To the contrary, evidence showed insurers sanctioned the work described in the estimates and all requests for additional repairs as requested by the repairer.
10. The Database also showed the level of confidence of the vehicle owner to assess the repairs was high with 54 (52%) of owners fairly confident and 40 (38%) very confident. While 35 (34%) were fairly satisfied and 55 (53%) very satisfied with the repair service they received. See [Appendix E](#).
11. The CC's provisional findings noted they considered PAS 125 accreditation and manufacturer approvals and insurer warranties were unlikely in themselves to ensure a high quality of repair due to their focus on processes and procedures. Whilst acknowledging the extension of the reach of these standards as outlined in ToH2, it is the focus currently demanded by existing industry standards on defined and auditable processes and procedures, requiring the use of correct repair methods, by skilled technicians using calibrated equipment and the appropriated material, which vitally contribute to repair quality. The PAS 125 standard is well established and has now started the migration process to a full British Standard.

Background information

12. The Team visited the Data Room at the CC on 14th and 30th January 2014 to review the Database compiled by the MSXI inspectors and used to produce the MSXI Report – Post Repair Inspection Programme for the Competition Commission.
13. The Team included senior Thatcham technical repair managers with over 35 years' experience, a Research Manager and a Data Analyst. Their objectives were:
 - a. To review the MSXI response to the Tender Submission Document.
 - b. To assess the quality of the vehicle inspections relative to the MSXI tender deliverables.
 - c. To assess the veracity of the conclusions drawn by MSXI in their final Post Repair Inspection Report.
14. For the avoidance of doubt, any Thatcham references to the PAS 125 standard refer to the current 2011 version.

Review of the MSXI response to the Tender Submission Document

15. The Tender Submission Document (CC 1168) was originally sent to three companies, two responded and MSXI was selected to carry out the Post Repair Inspection Study. The MSXI response to the Tender Submission Document laid out their approach to the objectives, deliverables and processes which were to be employed by their inspectors to product the Report.
16. It was unfortunate that the original tender document prepared by the CC was not available to view as this made it impossible for the Team to assess MSXI's adherence to, and ability to deliver on, the original brief.

17. No evidence was provided of the current industry recognised technical competencies of the three inspectors who undertook the inspections e.g. Automotive Technician Accreditation, or whether any insurance experience was represented within the MSXI team.
18. A number of deliverables were noted from the MSXI response to the Tender Submission Document the achievement of which would be fundamental to the quality of the conclusions regarding achievement of PAC drawn by the MSXI Inspectors. These included:
- MSXI stated they would ensure that any bodyshop facility used would not be the same as that which carried out the repair.
 - MSXI stated they would compare the PAC, as evidenced by documentation provided by the insurer which settled the claim, with the post-accident condition of the parts of the vehicle that were repaired.
 - MSXI stated they would identify any parts damaged as a result of the accident which have not been repaired.
 - MSXI stated that the length of time for any inspection would vary according to the type of repair carried out.
 - MSXI invited representatives of the CC to be present at any inspection, but there was no evidence provided to indicate that representatives of CC did, in fact, oversee the inspections undertaken by MSXI.
19. The response to the Tender Submission Document was well presented by MSXI who demonstrated engagement with a wide range of vehicle manufacturers. However the MSXI tender lacked evidence of an understanding of insurer deployment and repair responsibilities in the repair process.
20. See Appendix A for excerpts from the Tender Submission Document.

Assessment of the quality of the vehicle inspections versus the MSXI tender deliverables

21. The Team used the visits to the Data Room to conduct a detailed review of 20 vehicle inspections to assess the quality and consistency of the inspections in accordance with MSXI's tender response and the specific deliverables outlined above.
22. The 20 detailed inspections were chosen to give a broad spectrum of the repair work carried out on the 104 vehicles. The Team viewed 10 vehicle inspections which had a severity level of 1-6, and a further 10 vehicle inspections were reviewed which were noted in the MSXI database as having an assessed damage severity level of 7 or above, 10 being the most severe. Two were returned to PAC. See Appendix B-C
23. The Team also reviewed a further 40 randomly selected vehicle inspection documents, of which 21 were returned to PAC. See Appendix D.

24. The following observations were made of the **completion of the inspection sheets**:

- 24.1. The inspection sheets used by MSXI provided "Suggestions for Inspector". No evidence of a written specification of the vehicle inspection criteria was available for the Team to review. The Team noticed a lack of consistency in the completion of the Vehicle Inspection Sheets. See Appendix B.
- 24.2. The Team noted the vehicle inspection sheet reporting was generally sparse, offering minimal explanation of faults found and minimal entry in the comment boxes. See Appendix C See R00076 Audi A4, R0250 Honda Civic, R00102 Volvo V70 and R0173 Mazda Antares.
- 24.3. Of the 40 randomly inspected vehicles, of the 21 which were returned to PAC:
- 12 inspection reports had no comments
 - 4 had a simple Yes/No/Satisfactory/NA within the relevant sections of the inspection report;
 - 4 stated it was a satisfactory repair; and
 - 1 stated a satisfactory repair due to the age of the vehicle.
- 24.4. Of the 19 vehicles not returned to PAC:
- 4 had no comment
 - 15 had reasons for the failure to achieve PAC. However, the completion of the inspection reports varied depending on the inspector who completed them. One inspector failed to complete inspection reports but produced a summary sheet detailing his/her findings. Due to this subjectivity the Team were unable to ascertain the deviation of the non-PAC vehicles against the required standard.

25. The following observations were made on **the validation of PAC**:

- 25.1. PAS 125 compliant repairers could have provided repair process records (PAS Section 5.5 Repair Process Records) to support the inspectors during their assessment of PAC and their opinion on the after repair achievement of PAC. The Report made no mention of this information being requested (Page 5).
- 25.2. MSXI stated they would compare PAC, as evidenced by documentation provided by the insurer which settled the claim, with the post-accident condition of the parts of the vehicle which have been repaired. Only limited information was available on the PAC, with the only evidence to support or contradict the achievement of PAC derived from the damage assessments. These were inconsistent and the quality of the images provided, varied from good to poor.
- 25.3. There was a lack of consistency in the identification of damage severity between the Damage Assessment Report provided by the insurer, the Vehicle Inspection Sheet completed by the inspector and the Database produced by MSXI which impacted upon the quality of conclusions in the Report.

26. The following observations were made on the **inspection quality**:

- 26.1. The report used the term 'Skeletal Damage' which is not commonly used by repairers or insurance assessors and therefore should have been explained and examples given to aid understanding and quantification of the points being raised.
- 26.2. MSXI stated they would ensure that any body shop facility used would not be the same as that which carried out the repair. However, there is no evidence to indicate that *any* bodyshop facility was used during the inspection of the vehicles, although it was noted that inspections were carried out at owners' premises. See Appendix C: R00019 Ford Focus and NAF0378 BMW 3 Series.
- 26.3. Within the tender document it was clearly stated that a bodyshop facility would be used for the inspection of a more severe impact. No evidence was found to indicate that *any* bodyshop facility was used, in fact the Report caveat states "The inspection reports are opinion based – our consultants are recognised experts in their field, but the inspections were not carried out under scientific or workshop conditions". The level of inspection undertaken did not appear proportionate to the severity of the accidents that occurred. There was no evidence of the use of ramps or measuring equipment to check structural panels or suspension settings. This type of equipment is typically used in a bodyshop to assess the vehicle before and after repair, especially in the inspection of a more severe impact. See Appendix C: NAF0336 Mazda 6.
- 26.4. The Report revealed an absence of detailed and comparative measurements or specifications where panel gaps or paint thicknesses were considered incorrect. Additionally, no pre-accident measurements or alignment values were evident for vehicles identified with more severe accident damage.
- 26.5. There was no evidence of electrical system checks or fault code readings taken, although this formed part of the "Suggestion for Inspectors" provided by MSXI. Such checks and readings would provide evidence of whether the vehicle had achieved PAC.
- 26.6. Given the absence of the original Tender Submission Document, there was no indication whether inspections should have taken place within a certain time of the vehicle repair being undertaken to minimise the possibility of post-repair damage. While the dates of the repair and the date of the inspection were removed from the inspection reports, the Team noted three instances where a considerable time lapse was possible between the two: See R0114. Tax disc expiry date October 2012, inspection date July to Oct 2013 R0134. Tax disc expiry date September 2012, inspection date July to Oct 2013. R0145. Repaired July 2011, inspection date July to Oct 2013.
- 26.7. Additionally, the mileage covered between insurer note and the MSXI note by some of the vehicles inspected raised concerns that additional degradation of the vehicle unrelated to the repair, but which could affect the assessment of achievement of PAC, could have occurred. See Appendix C: NAF0058 13,428 miles and NAF 0290 14,278 miles. The National Travel Survey 2012 reports the average UK annual mileage as 8,200 miles.
- 26.8. The Report did not clearly establish to a sufficient standard that the faults identified arose out of, or were due to, the repair itself and not to subsequent minor

deterioration through normal use in the extensive time lapses and mileage covered observed by the Team.

- 26.9. The vehicles inspected would have been subject to damage caused from the usual wear and tear in the intervening period, which could not be attributed to the original accident or repair. The Report fails to acknowledge this point or to make any reference or adjustments to the inspector's assessment of achievement of PAC from the inevitable detrimental effect of wear and tear on the vehicles.
- 26.10. The level of damage and relevant operations were captured well within the damage assessment. However some repair activity was not carried out in accordance with the insurer authorisation. See Appendix C: R0093 Ford KA and R00019 Ford Focus.
- 26.11. An MSXI deliverable was to identify any parts damaged through the accident which had not been repaired. The Team noted an example where a new alloy wheel was included in the damage assessment but where it had not been fitted. Also, in NAF0378 BMW 3 Series, an original equipment wing was invoiced within the damage assessment but the inspector felt an aftermarket wing had been fitted. However, it should be noted that these two instances: R00184 and NAF0212 were deemed a total loss or contract repair at the point of assessment and as such were repaired outside of the insurers' repair obligations. It is debatable whether these vehicles should have been included within the study, further reducing the sample size. See Appendix C.
- 26.12. The MSXI tender submission stated that the length of the time for any inspection would vary according to the type of repair carried out. There were no start or finish references on the inspection sheets or supporting analysis within the report.

Assessment of the veracity of the conclusions of the report

27. The initial ABI response noted deficiencies in the Report, suggested that the findings were unreliable and called for further information to be released to enable a full assessment to be undertaken of the research methodology adopted and the results produced.
28. The provision of access to the Data Room enabled further examination of the evidence MSXI used to produce their assessment of the achievement of PAC. The Team concludes that the vehicle inspection reports are inaccurate and inadequate sampling placed an over-reliance on the subjective views of customers with insufficient emphasis on industry best practice and recognised accreditation standards.
29. Following access to the Data Room, the Team concluded the sample size of 104 vehicles were included as a result of customers agreeing to their vehicles being inspected, with 77 from Stage 1 at fault accidents and 27 from Stage 2 not at fault. This number is too small to draw any meaningful conclusions on the whole of the repair market, as these vehicles represent only 0.005% of insurance repairs conducted annually (estimated 2m insurer funded repairs in 2012).

30. The ABI previously noted that no reliable, representative conclusions could be drawn from the Report. The ABI also commented that the Report contradicts the CC's own findings in its previous working paper on the under-provision of repairs, where it found that "it was unlikely that customers are systematically put at a disadvantage by insurers or CMCs procuring repair services on their behalf"¹. The Team concurred with this view and noted of the 20 reports reviewed, the insurer agreed to pay for the initial work scope plus any subsequent authorisation requests where supplementary damage assessments were submitted. No evidence was seen of costs being negotiated down by the insurer.

31. The Team also noted that in 35 out of the 104 repairs, customers (34%) made the final decision as to who would carry out the repair, of which 21 of the 35 customers (20% of the total) chose to use a repairer they knew to repair their vehicles. There was no indication in the Report whether these repairers were insurance approved or had Kitemark or vehicle manufacturer standards and, as a result, usual insurer quality controls may have been absent.

Who made the final decision as to who would carry out the repairs	No of Customers	%
A claims management company	2	1.92%
A repairer	1	0.96%
Don't know	1	0.96%
The other driver's insurer	43	41.35%
You:	35	33.65%
• From options provided by a CMC	1	0.96%
• From options provided by the insurer of both you and the other driver/ the other driver	11	10.58%
• From options provided by your insurer	2	1.92%
• From repairers you knew of	21	20.19%
Your insurer	22	21.15%
Total	104	100.00%

32. Due to the inconsistencies observed in the base data and also the lack of conformity of the inspections, the research methodology adopted by MSXI is deficient and unreliable, and as such provide no basis for the CC to draw any conclusions in relation to ToH 2 relating to the under provision of service to those involved in accidents.

Summary

33. In conclusion, the research and engineering evidence analysis carried out by Thatcham clearly demonstrates that the MSXI Report does not provide a robust evidential basis for the CC's provisional finding on ToH2. We note that the CC expressed caution regarding the findings of the Report, and the ABI strongly believes that it cannot be used to draw any firm, reliable conclusions and as such, it should not be used as the sole evidence of any AEC.

Appendix A - Excerpts taken from the Tender Submission Document

Objectives	Deliverables
<p>Objectives within the tender:</p> <p>i. As published as within MSXI's 'Post Repair Inspection Study'.</p> <p>ii. To assess the quality of the repair work and to identify whether there is evidence of under or over provision of the extent and quality of repairs</p> <p>a. Skeletal Damage</p> <p>b. Panel fitment</p> <p>c. Paintwork – preparation and finish</p> <p>d. Electronic systems</p> <p>e. Other relevant aspects of the repair which would mean the vehicle had not been restored to its pre-accident condition</p>	<p>MSXI will base its recommendations on:</p> <ul style="list-style-type: none"> • Type of repair (front/rear end, high/low impact etc.) • Repair estimate, if available • Total cost of repair • Geography • Fault or non-fault • Repaired / replaced / smart repair • Type of body shop used (franchised, independent, owned) • Insurance company involved • Accident management company involved • Willingness of owner to participate • Access to vehicle (home or body shop availability)

Excerpts taken from the MSXI response to the Tender Submission Document

Process overview

Vehicle Selection → Inspection Schedule → Inspection → Reporting

The Inspection will be carried out (Representatives of the CC are invited to be present at any inspection)

- *MSXI will ensure that any body shop facility used will not be the same as that which carried out the repair*
- *Compare the pre accident condition (as evidenced by documentation provided by the insurer which settled the claim) with the post-accident condition of the parts of the vehicle which have been repaired*
- *Identify any parts damaged through the accident which have not been repaired*
- *The length of time for any inspection will vary according to the type of repair carried out*

Appendix B - Damage Severity

Damage Severity Table (Source: The Database)

Inspected Vehicles (104 damage assessments)

Damage Severity	Number of Vehicles	Proportion (%)
1 – Very minor damage	16	15.4%
2	19	18.3%
3	16	15.4%
4	18	17.3%
5	19	18.3%
6	4	3.9%
7	3	2.9%
8	5	4.8%
9	0	0.0%
10 – Extremely severe damage	2	1.9%
10 – Very severe damage	1	0.96%
Don't know	1	0.96%
Total	104	100.00%

Vehicle Inspection Sheet (Guidance for Inspectors provided by MSXI)

Suggestion for Inspector

- *All Parts Fitted as per Authorisation.*
- *Evidence of Pattern Parts fitted.*
- *Panel: Alignment, Gaps, Welds, Bonded Panels, Sealant (Doors, Backpanels Underbody), Corrosion Protection, Underbody Repairs, Jig work, Clamps & Pull.*
- *Repaired Panels / Bumpers: Size of Repair, Quality of Repair, Pin Holes, Swage lines, Sinkage, Alignment.*
- *Trim: Fitted correctly (exterior & interior), Gaps, Alignment, All retaining clips and screws replaced.*
- *Paintwork: Colour, poor finish, have all panels been painted as per authorisation, flattening marks, dirt inclusion, overspray, masking lines, runs & sags.*
- *Mechanical / Electrical: bolts & clips fitted, any leaks, fluid levels, uneven tyre wear, steering alignment, any fault lights on.*
- *Specialist: Glass, wheel(s) refurbished, interior trim.*
- *Additional Notes:*

Appendix C - Detailed Analysis Table

Ref No	Vehicle Type	Damage Severity Variances (Differing damage classifications were identified across the documentation reviewed.)			Was ramp used during the inspection?	Was evidence of methods used during repair?	Did the vehicle achieve PAC?	Thatcham Comment
		Damage Assessment (Repairer)	Inspection Sheet (MSXI)	The Database (MSXI)				
R0250	Honda Civic	Light	Medium	10	N	N	Y	<ul style="list-style-type: none"> • Inspection Sheet comment boxes were left blank. • Only 1 photograph provided by the inspector.
R0244	Ford Focus	Medium	Medium	10	N	N	N	<ul style="list-style-type: none"> • Agreed that the observation of inspector aligned to the repair. • All of the observed should have been carried out within the repair as they were included in the damage assessment and was authorised by the insurer. • Did not achieve PAC due to poor workmanship.
NAF0336	Mazda 6	Medium	Medium	10	N		N	<ul style="list-style-type: none"> • Total paint & materials cost £1,141 • Total repair cost £6,029 • Major reason for not achieving PAC was a paint mismatch on the driver's door. Given the amount of time and materials in the estimate, which was authorised by the insurer Thatcham would not expect to have a paint mismatch on the driver's door. • Vehicle Inspection Sheet shows that severity of damage was "Medium" but the vehicle was not inspected on ramps. This was a high cost repair for "Medium" severity then the inspection should have been carried out on a ramp. • Thatcham agrees with the inspector's report.

Ref No	Vehicle Type	Damage Severity Variances (Differing damage classifications were identified across the documentation reviewed.)			Was ramp used during the inspection?	Was evidence of methods used during repair?	Did the vehicle achieve PAC?	Thatcham Comment
		Damage Assessment (Repairer)	Inspection Sheet (MSXI)	The Database (MSXI)				
R0093	Ford KA	Medium	Light	8	N	Y	N	<ul style="list-style-type: none"> Did not achieve PAC based on overspray marks on trims. This was priced for within the damage assessment to remove trims and was authorised by the insurer. If work carried out as per assessment, no error would have occurred. Vehicle Inspection Sheet – no comments given and no evidence to support good elements of repair.
R00004	Vauxhall Corsa	Not available	Light	4	N	N	N	<ul style="list-style-type: none"> Severity possibly incorrect as the vehicle had chassis damaged. Inspector Note: Chassis on both sides bent. Misalignment of bumper to rear of wing. There appears to be lack of detail in the damage assessment data. Unable to be clear what was included. No evidence of PAC. Images or text comments were not provided. Inspection lack of details and the image was poor. Chassis damage may not have been noticed during the damage assessment and repairer has missed or ignored the damage. Insurer was not aware of the damage as it was not included within the claim. Thatcham agrees with the inspector's report.
R0184	Citroen Saxo	Medium	Quite Heavy	7	N	N	N	<ul style="list-style-type: none"> Uneconomical repair. The vehicle brought back by owner and repaired by a friend. Vehicle Inspection Sheet noted that the bodyshop used as "None/Brought vehicle back". Damage assessment showed the vehicle as total loss (Cat C).

Ref No	Vehicle Type	Damage Severity Variances (Differing damage classifications were identified across the documentation reviewed.)			Was ramp used during the inspection?	Was evidence of methods used during repair?	Did the vehicle achieve PAC?	Thatcham Comment
		Damage Assessment (Repairer)	Inspection Sheet (MSXI)	The Database (MSXI)				
								MIAFTR matches previous Cat C on 14/9/2007. Retention not advised as vehicle is now twice Cat C. <ul style="list-style-type: none"> Why was this vehicle inspected and included in the study?
NAF0212	VW Golf		Light	8	N		N	<ul style="list-style-type: none"> Damage assessment showed 'Borderline Total Loss'. The customer has chosen a repairer and agreed to do a contract repair to ensure viability of repair. The repair was agreed at £1,155 inc VAT. Contract repair comment was not application – a non-genuine wing was fitted badly and refitted parts that were supposed to be replaced. Customer was happy with the repair and glad to have the vehicle back. Should not have been included in the survey as customer had opted for a lesser quality repair to keep cost down to avoid total loss. Estimated vehicle value £1650 (not agreed) Vehicle identified as Cat D Total Loss. Why was this vehicle inspected and included in the study?
R00019	Ford Focus	Medium	Medium	8	N	N	N	<ul style="list-style-type: none"> Not achieved PAC due to chassis plate missing – sticker/label not replaced after repair Wind noise Paint chip at hinge

								<ul style="list-style-type: none"> • Paint sink marks • No point on inner sill • Untidy flanges • Mirror backing missing • Upper front door moulding distorted • Door gap tight • Door latch striker plate damaged
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Ref No	Vehicle Type	Damage Severity Variances (Differing damage classifications were identified across the documentation reviewed.)			Was ramp used during the inspection?	Was evidence of methods used during repair?	Did the vehicle achieve PAC?	Thatcham Comment
		Damage Assessment (Repairer)	Inspection Sheet (MSXI)	The Database (MSXI)				
								<ul style="list-style-type: none"> • Thatcham comments: • Inspection carried out at owner's premises. No ramp used. • Chassis label/sticker identified within estimate not priced. • Paint issues should have been carried out satisfactory during repair included within estimate. • Door striker fixings should have been renewed. • Unable to be sure wind noise – would not have been part of PAC but could be related to misalignment of door or probably mirror backings missing. • "Well estimated – lack of refinement in the repair – poor quality of workmanship"
NAF0378	BMW 3 Series 01 on	Light	Light	8	N		N	<ul style="list-style-type: none"> • PAC not achieved due to suspect non OE wing fitted. Poor alignment bonnet / A Pillar. Paint match slightly out. • Check part number 41.35.8.162.134, cost at £157.54. Thatcham has since confirmed that parts number and cost is

									BMW OE parts. (MSXI should have cross checked rather than state suspect) <ul style="list-style-type: none"> • Inspection carried out at customer's premises. No ramp used.
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Ref No	Vehicle Type	Damage Severity Variances (Differing damage classifications were identified across the documentation reviewed.)			Was ramp used during the inspection?	Was evidence of methods used during repair?	Did the vehicle achieve PAC?	Thatcham Comment
		Damage Assessment (Repairer)	Inspection Sheet (MSXI)	The Database (MSXI)				
NAF0199	Ford Fiesta Titanium 1.4 (19k miles, COB metallic)	Medium	Heavy	8	N		N	<ul style="list-style-type: none"> • Thatcham comments: • Not achieved PAC due to bad fitting. Customer returned the vehicle for this problem. Insufficient paint on rear quarter panel. • Total repair cost £3603.91. • 4 photographs provided. 2 of dashboard, 2 of damage – not enough to ascertain PAC. • 3 photograph inspection report. • Thatcham agrees with inspector's report – minor quality of repair issue.

DATA ROOM OBSERVATIONS COLLATED ON 30 TH JANUARY 2014								
R0021	Mitsubishi Lancer	Light	Light	2	N	N	N	<p>Inspection sheet comments ref PAC:</p> <ul style="list-style-type: none"> • 4 reasons on front page of report: <ul style="list-style-type: none"> ○ Masking edges around moulding and windows ○ Solvent popping on rear wing passenger side ○ Dry hazy paint finish in several areas ○ Evidence of paint blend on rear bumper • "Customer has already returned the vehicle because there was no paint on rear bumper" • 3 comments within inspection • Sheet and 5 images • Mileage not available. Indicates no keys?" The MSXI database informs us this is an 'out of hours' inspection but no time is given. <p>Thatcham comments:</p> <ul style="list-style-type: none"> • Estimate identified vehicle PAC as "good". • Estimate includes 5 work units (30 minutes) for check and quality control. • Authority note from insurer. • L/R side panel repair amended to 10 work units (1 hour). If further time required, please image in repair. • Repairer included relevant operatives within estimate to prevent paint faults. • Charged for check and quality control within estimate.
R0008	BMW 840ci	Light	Light	2	N	N	Y	<p>Inspection sheet comment</p> <ul style="list-style-type: none"> • Passed as achieved PAC, however inspector noted "very slight evidence of door repair it's a long shiny black panel. Damage did not warranty a new door (A repair should have been possible without leaving evidence of work) Customer selected repairer himself is happy with the work. <p>Thatcham Comment</p> <ul style="list-style-type: none"> • No PAC comments in estimate.

								<ul style="list-style-type: none"> Images show minor damage in estimate to repair door . Thatcham team agrees.
NAF0018	Audi TT2007 Roadster Quattro 3.2. Mileage: 18230 - Ins 27824 - MSXI	Light	Light	4	N	N	N	<ul style="list-style-type: none"> MSXI inspection sheet comments-yes, no, satisfactory Repairer commented on original estimate PAC was good
R0173	Mazda 2 Mileage: 42904 – Ins 53378 MSXI	Light	Light	4	N	N	N	Inspected at owners premises <ul style="list-style-type: none"> 3 reasons on front page of report: <ol style="list-style-type: none"> Front bumper off colour Wind noise since repair - customer complained Inserts not clipped No comments in any box on inspection sheet 1 photo which did not show colour difference Report evidence poor, unable to substantiate paint fault. Third party claim, noted in repairers assessment Bumper repair and mirror repair approved in estimate If carried out as per estimate inspection, faults should not have been evident
NAF0058	BMW 320 coupe Mileage: 63553 - Ins 76981 - MSXI	Light	Light	4	N	N	N	<ul style="list-style-type: none"> 3 x MSXI photos, zero repairer photos 1 reason on front page of report <ul style="list-style-type: none"> Poor paintwork on bumper (Thatcham agrees) Comments in inspection report predominantly satisfactory /NA but one detailed comment, poor paint finish and cracked paint from impact still visible. Paint was red metallic COB Customer was unaware of the defects Audatex estimate noted PAC condition as good.
NAF0375	Ford Focus Zetec	Light	Light	4	N	N	N	Inspected at owners premises <ul style="list-style-type: none"> 1 reason on front page of report

	Estate Mileage: 53524 - Ins None - MSXI							<ul style="list-style-type: none"> ○ Gap between rear bumper and side panel could be improved • No inspection sheet details provided • 3 small photos highlighting gap with pen. • Comment by inspector "mileage o unknown, insured not present" indicates doors not open, no ignition key available. • MSXI database indicates the inspection was carried out at 11 pm <p>Thatcham comments</p> <ul style="list-style-type: none"> • New rear bumper- rear quarter panel RHR • Removal of quarter glass not included in estimate (mask only) • Check & quality controls included as an item within assessment. • Estimate good- repair quality issue or could be subsequent damage (quality checks should have picked up gap fault) • Repairer commented on original estimate PAC was good • Tax disc expiry 02/13
NAF0247	VW Golf 1.4 5 dr Mileage: 26199 - Ins None - MSXI	Light	Light	6	N	N	N	<ul style="list-style-type: none"> • Customer was unaware of the defects • Paint was metallic COB • 4 x MSXI poor quality photos, 5 repairer Photos • 4 reasons on front page of report <ul style="list-style-type: none"> ○ Bumper is a different shade ○ Bumper is still miss-shaped ○ Blister under paintwork adjacent to repair ○ Poor overall paint finish <p>Thatcham Comment</p> <ul style="list-style-type: none"> • Photos poor quality cannot give an opinion • Repairer commented on original estimate PAC was good
RO208	Ford Galaxy Titanium Mileage: 42,000 - MSXI	Light	Medium	1	N		N	<ul style="list-style-type: none"> • Photos on MSXI: 5 images 1.5x2cm in size • Photos on Ins: 23 images including 6 during repair of vehicle • MSXI coms: Front = <ul style="list-style-type: none"> ○ Rear bumper has been repaired and paint is flaking off. This should have been a new bumper fitted. ○ Passenger and driver side rear bumper mirror wheel

	32,519 - Ins							<p>each trim not fitted back correctly.</p> <ul style="list-style-type: none"> ○ Rear number plate screw not fixed properly causing the number plate to come away from the rear tailgate. ○ Int tailgate grip handle loose not clipped in correctly. ○ Int tailgate inner trim clip broken which may require a new inner trim to correct. ○ Tow bar is down for removal in my opinion has not been done. <p>a) Supporting evidence: The customer hasn't returned the vehicle but isn't happy with the repairs, the tow bar in my opinion with the type of impact should have been replaced in case the impact had caused unseen factual damage.</p> <p>b) No comments or suggestions for inspectors. All put in the front page. Estimated for tow bar to be R/R.</p> <p>c) New tow ball not on estimate. Estimated for bumper repair (pre accident conditions good Ins).</p>
NAF0290 Date: 30/01/14	Vauxhall Zafira Energy Mileage: 23,047 - msxi 8,769 - Ins	Light	Light	4	N		N	<ul style="list-style-type: none"> ● Photos on MSXI: 1 of damage, 2 of car ● Photos on Ins: 10 ● MSXI coms: Front= Lacquer flaking below rear door moulding image 1 poor image due to raining at time of inspection. ● Pre accident condition noted as Fair. ● No comments on body of report
RO024 Date: 30/01/14	Nissan Micra Mileage: 52,061 - msxi 44,104 - Ins	Medium	Light	6	N	No guida nce	N	<ul style="list-style-type: none"> ● Not achieved PAC comments ● Overspray on under arch shield. ● Mirror robber not fitting correctly ● Door repair visible ● Rear arch misshaped ● Filler edges visible on rear wing repair ● Masking edge on front wing (see image) ● Rear bumper misshaped. ● 7 images – showing issues

								<p>Thatcham comments:</p> <ul style="list-style-type: none">• PAC in estimate noted as Fair• No images within estimate to see security estimate includes check and road test 3 hours and 18 minutes• Estimate includes removal of bumper and repair. Cannot identify if repairable. No images.• Estimate includes all operations needed for successful paint and repair outcome and• Important to note whether this was approved. Approval TBA within estimate.• Include standard PA comments at the bottom.
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Appendix D - Summary Analysis Table

ID	Severity	Achieved PAC?	Vehicle	Reg. Month/Year	Comments in Inspector Guidelines (Yes/No/Satisfaction/N.A.)	Number of Reasons for not achieving PAC
R00150	Light	N	BMW Series 3	03/1995	Cash in lieu for repair. All comments boxes show as N/A	2
R00086	Light	N	Ford Mondeo	03/2003	Explanation relating to reasons	4
R00093	Light	N	Ford KA	07/2006	Explanation relating to reasons	2
R00129	Light	N	Suzuki Vitara		Explanation relating to reasons	2
R00136	Moderate	N	Mercedes A Class	09/2005	No report body but supporting evidence comment relating to reason	4
R00130	Moderate	N	Honda Jazz	06/2010	No report body, but supporting evidence comment relating to reason	3
R00114	Moderate	N	Honda CRV		No report body/comments but supporting evidence comment relating to reasons for not achieving PAC. Vehicle repaired in 10/2012. Inspected Jul/Oct 2013	3

R00110	Moderate	N	Vauxhall Zafira	12/2007	No report but supporting evidence comment relating to reason	1
R00116	Light	N	Ford Focus	06/2006	No report but supporting evidence comment relating to reason	1
R00124	Light to Medium	N	Vauxhall Corsa	01/2005	None	1
NAF0367	?	N	Ford Focus	08/2001	No report body, but supporting evidence comment relating to reason	2
R00076	Light	Y	Audi A4	11/1999	None	-
R00102	Light	Y	Volvo V70	10/2006	None	-
R00109	Light	Y	Ford Transit	03/2010	None	-
R00134	Medium	Y	Volvo S40	09/2005	None	-
R00145	Light	Y	VW Golf	06/2007	None	-
R00073	Medium	Y	Toyota Yaris	10/2001	None in report body	-
R00151	Medium	Y	Ford Fusion	09/2005	None in report body	-
R00145		Y	Ford Transit	06/2001	None in report body	-
R00157	Light	Y	Vauxhall Vectra		None in report body	-
R00163	Medium	Y	Ford Fiesta	03/2012	None in report body	-
R00127	Light	Y	VW Touran	07/2004	Satisfactory repair	-

R00121	Medium	Y	Citroen Saxo	02/2001	Satisfactory repair due to age of vehicle	1
R00144	Light	Y	Jaguar XF	06/2010	Y/N/Sat/NA	-
NAF0354	Light	Y	Mazda 6		Y/N/Satisfactory/N.A.	Not provided
NAF0374	Light	Y	Ford Escort	03/2000	Y/N/Satisfactory/N.A.	-
R00094	Light	Y	Ford Fusion	03/2012	Y/N/Satisfactory/N.A.	-

DATA ROOM OBSERVATIONS COLLATED ON 30 TH JANUARY 2014						
RO173	Light	N	Mazda Antares	2006	None	2
RO177	Light to Medium	N	Rover 75	2004	None (Explained in supporting evidence section)	7
RO202	Moderate	N	Toyota Yaris	2012	None (Explained in supporting evidence section)	3
RO203	Light	N	VW Transporter	2008	4	5
NAF0137	Light	N	Mini Cooper	2010	5	4
RO164	Mild	N	Mazda 6	05/2006	Summary 4 Images – None in report body	3
RO166	Medium	N	Peugeot 206	06/2001	5 full page images. Reasons on first page	5
RO017	Medium	Y	Yamaha Fazer Motorcycle	N/A	All parts filled as per estimate	
RO030	Light	Y	BMW Z4	2002	No images “New bumper fitted as repair”	
RO031	Light	N	Saab 900	2001 Tax 07/12	Incorrect rivets used	
RO033	Fair	Y	Toyota Yaris	2009	“In my opinion PAC is OK”	
RO043	Medium	Y	Vauxhall Astra	2005	Front sheet only – NO	
RO044	Light	Y	BMW 840i	Unknown	1 sheet no comment	

Appendix E - Customer Confidence (Source: The Database)

How confident are you that you are able to assess the repairs (C25)

- 94 out of 104 customers (90%) were either fairly or very confident they could assess the quality of the repair.

How confident are you that you are able to assess the repairs	Number of Customers	%
Not at all confident	2	1.92%
Not very confident	2	1.92%
Neither confident nor unconfident	5	4.81%
Fairly confident	54	51.92%
Very confident	40	38.46%
Don't know	1	0.96%
Total	104	100.00%

Customer Satisfaction (Source: The Database)

How satisfied were you with the repair service you received (C26)

- 90 out of 104 customers (86%) were either fairly or very satisfied with the repair service they received.

How satisfied were you with the repair service you received	Number of Customers	%
Don't know	1	0.96%
Very dissatisfied	1	0.96%
Fairly dissatisfied	5	4.81%
Neither satisfied nor dissatisfied	7	6.73%
Fairly satisfied	35	33.65%
Very satisfied	55	52.88%
Total	104	100.00%