

The complaint

Miss E complains about how UK Insurance Limited, trading as Direct Line (“UKI”) handled her motor insurance claim. She says her car was returned to her twice, without repairs being completed adequately.

References to UKI include its agents.

What happened

In September 2021, Miss E’s car was damaged in an accident. UKI arranged for repairs to be carried out by its approved garage. However, the car needed to be returned to the garage twice. There was a warning light on the dashboard.

Miss E raised a complaint with UKI who said the issue had been identified and resolved. It acknowledged that Miss E still wasn’t confident that the repairs had been carried out correctly. It said it would be willing to reimburse Miss E for the cost of a report from one of the car manufacturer’s dealerships if outstanding issues relating to the accident or repairs were identified. UKI paid Miss E £100 for the distress and inconvenience she’d experienced.

Following this, Miss E arranged for a manufacturer’s dealership to inspect the car. The dealership identified several issues that made the car unroadworthy. The manufacturer’s dealer made the vehicle roadworthy but further parts were needed in order to restore the car to its pre-accident condition. UKI authorised for the repairs to be completed by Miss E’s chosen repairer. It said the manufacturer’s dealership would liaise with UKI’s engineer so UKI could arrange delivery of Miss E’s vehicle and for a hire car to be supplied for the duration of the repair. UKI paid Miss E a further £200 for distress and inconvenience.

Miss E remained unhappy and asked our service to consider her concerns. Our investigator looked into the matter and recommended UKI pay Miss E a further £200. He didn’t think the £300 UKI had already paid Miss E was enough to compensate her for the trouble and upset she’d experienced.

UKI disagreed with our investigator’s outcome. It said it had acknowledged its mistakes and believed the compensation it had already awarded Miss E was sufficient.

UKI said the £200 it had paid for Miss E’s most recent complaint took into account the £175 it had awarded (for her two previous complaints) and the overall customer journey.

UKI said communication with Miss E was made slightly more complicated because she’d requested email contact only. It said there was a ten day delay (in November) due to Miss E cancelling the arrangements it had made for the recovery of her vehicle and a hire car. It understood why Miss E didn’t want to let her car go until a hire car was provided. But it said she had delayed contacting the hire car company and replying to messages from UKI’s engineer. UKI said it was trying to proactively accommodate Miss E, but she wasn’t co-operating with it.

So, the complaint 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've reached broadly the same conclusions as our investigator. I'll explain why.

To be clear, I've only considered the issues Miss E has complained of which occurred prior to UKI's complaint response letter of 7 December 2021. If Miss E has any concerns about events after that date, she would need to raise these with UKI as a separate complaint to allow it the opportunity to address them.

The relevant industry rules require insurers to handle a claim promptly and fairly.

UKI has acknowledged mistakes have been made which have resulted in distress and inconvenience for Miss E. However, it believes it had already paid adequate compensation to Miss E before she brought her complaint to our service.

UKI has sent us a copy of its response to a complaint Miss E raised in September 2021, shortly after the accident. In this letter, UKI said it would be paying her £75 to compensate her for a delay in providing her with a hire car and for not knowing where her damaged car was. Miss E hasn't included these issues in the complaint she brought to our service. So, I haven't considered them in this decision.

Miss E asked our service to consider her concerns about inadequate repairs on her car. She says it was returned to her in an unfit state twice and it failed its MOT when it was returned to her. UKI responded to these concerns in its letters of 8 October and 7 December 2021, awarding her a total of £300 compensation.

Our service would typically consider this level of compensation appropriate in situations where there have been repeated small errors, or a larger single mistake, requiring a reasonable effort to sort out. The impact (if mild) might last a few days or weeks. This compensation might be sufficient in circumstances where there's been some inconvenience or lower levels of distress and loss of expectation.

UKI has acknowledged that its approved repairers failed to complete adequate repairs to Miss E's car, despite it being returned to the garage for rectification work. Miss E had to go to the trouble of arranging for an independent inspection to be carried out by a manufacturer's dealership. It was then established that there were a number of issues with the car and it had been returned to her in a condition that wasn't roadworthy.

Miss E says she was left driving the car for several weeks, despite her concerns that it wasn't roadworthy. She says this made her feel quite anxious. As there was an issue with the headlights, she had to avoid driving after dusk. This limited where she could go and how long she could stay for. Miss E says she also had to rely on family members to help transport her young children after dark.

I appreciate UKI feels it did as much as it could to arrange for Miss E's vehicle to be taken to her chosen garage in November 2021. It says Miss E needed to contact the recovery and hire car companies directly, presumably to agree a suitable day and time. However, Miss E has told us that she had difficulty speaking to UKI and its agents during her working day because of the nature of her job. I don't think she would have been in this position if the repairs had been carried out effectively in the first place.

Having considered the impact of UKI's mistakes on Miss E, I'm persuaded that these caused Miss E significant inconvenience, in addition to worry and distress. I don't think the £300 UKI has already paid her is enough. So, I think it would be appropriate for UKI to pay Miss E additional compensation.

Putting things right

UKI should pay Miss E an additional £200 for distress and inconvenience.

My final decision

For the reasons I've explained, I uphold Miss E's complaint and direct UK Insurance Limited to put things right by doing as I've said above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss E to accept or reject my decision before 8 November 2022.

Anne Muscroft
Ombudsman