

The complaint

Mrs A has complained about her car insurer U K Insurance Limited (UKI) regarding repairs it completed to her car after it was damaged.

What happened

UKI repaired Mrs A's car but she wasn't happy with what it did. She complained to us and UKI agreed to do further work. Following that work completing Mrs A had the car inspected by a bodyshop at a cost of £200. The bodyshop found further issues with the car – it said that there was a problem with the paintwork on the bonnet; that there was contamination below the base coat UKI had applied. UKI said that was being caused by bird droppings so it wouldn't assist Mrs A any further. Not unless, UKI said, Mrs A provided it with a report from an independent engineer determining the cause of the issue. Mrs A complained to us.

Both parties then presented further expert evidence. Mrs A obtained an engineer's report dated 17 April 2022 which said poor preparation prior to painting had caused issues with the surface finish. UKI provided comments from an engineer and a report from a paint specialist. The engineer said he viewed the car on 15 and 17 December 2020 and the report was also dated 17 December 2020. A few weeks, UKI said, after the paintwork had been completed. UKI's report stated there were no issues with the completed work and that the car had been finished to a good standard. UKI said that any issues with the paintwork would have been visible by that time (given when the work was done) but none had been spotted during the inspections. Mrs A said her expert said the problem wouldn't have been noticeable by then. She said she would send further details to evidence this, but none were received.

The complaint was considered by one of our Investigators. He initially felt UKI was likely responsible for the problem with the bonnet. But UKI challenged that view and presented the report referenced above from the paint specialist. Upon review our Investigator wasn't minded to uphold the complaint.

Mrs A was unhappy; she maintained that the problem she has was caused by UKI's garage's poor work. Mrs A also provided details about further paintwork issues – flaking of paint on the rear door, which the garage had rectified for her in early 2021. She noted this had not been identified during the December 2020 post-work inspections and felt this showed the inspections couldn't be relied upon as evidence of the work having been satisfactorily completed. UKI referred to its garage – it said that, around two months after the car was returned to Mrs A, it had taken it back to rectify a "chip" on the rear door as a goodwill gesture.

Mrs A's complaint was passed to me for an Ombudsman's consideration. I felt the complaint should be upheld, that UKI should repair, or pay Mrs A so she can repair, the bonnet, reimburse Mrs A's bodyshop and engineer costs, plus interest* and pay her £150 compensation. So I issued a provisional decision, my findings of which were:

"Mrs A's complaint is that UKI completed poor work which has caused the problem she has with the paint on the bonnet of her car. So, in the first instance, it is up to her to show that is most likely what has happened. Mrs A has presented an opinion from a bodyshop and an

expert engineer. I've read them. They seem persuasive. So I think she's done that. That means it's then up to UKI to provide evidence which refutes that – that persuades me that the problem with the bonnet has most likely not resulted from poor work completed by it. I think it's fair to say that UKI certainly feels that this problem is not connected to, and has not been caused by, the work it has done. So I've considered the evidence and comments UKI has presented in support of that position.

Having done so I find it a concern that the key evidence presented by UKI is not contemporaneous. UKI's engineer said he inspected the car with a paint specialist in October 2020 and he then, following more work, assessed it again twice in December 2020. UKI said its paint specialist inspected the car and provided verbal comment about the work but made no report. However, following our Investigator initially advising that he would be upholding Mrs A's complaint, UKI produced a written report from the paint specialist, dated December 2020. UKI later clarified that this written report had been created to show what had been found but not memorialised at the time of the 2020 inspection. I find it very unusual that proper, contemporaneous records of assessments and further rework needed were not made or kept, particularly given the history of this claim and repair work. As the engineer's comments and the paint specialist's report are not contemporaneous, I find that I can't put much weight on them and, consequently, I don't find them persuasive.

Setting these concerns aside for a moment, I've looked at the other detail provided by UKI.

UKI's repairer said if there was a problem with the paint this would have shown within seven days of the work completing. UKI said the car stayed with the garage for at least ten days after work was done before it was inspected, so any faults would have shown by then and would have been seen by its engineer and/or the paint specialist. On the face of it, and setting aside what I've said above about the non-contemporaneous evidence of those inspections, that sounds like a plausible argument. However, the timeline I've seen doesn't support UKI's assessment that if any flaws existed, they'd have been present at the time of the inspection.

UKI's engineer said he inspected the car on 15 December, more work was needed, which was duly done and he inspected it again on 17 December 2020. And the paint specialist's report is dated 17 December also. When asked for clarification about when the car was painted, UKI said that was 2 December 2020. But my review of UKI's contemporaneous file notes shows that on 4 December 2020 the car was still being painted, with work due to complete on 11 December 2020. Which means that even taking the latest inspection date of 17 December 2020, that was only six days after the paintwork repair was completed. So I'm not satisfied that the car was inspected more than seven days after completion.

In any event – the historic problems with the car that had led to the need for rework to be done had included peeling paintwork. And Mrs A has evidenced that within two months of the car being released to her after the work was done at the end of 2020, her car was taken back by the garage to fix an issue of further peeling paintwork. I've seen photos of this. I think it's reasonable to view this as flaking paint, rather than a "chip" as described by the garage. This was not on the bonnet. So this further repair doesn't evidence that the problem on the bonnet, subject of this complaint, was most likely caused by UKI's poor work. But, further peeling paintwork does, in my view, cast further doubt over the veracity and persuasiveness of the reported 2020 findings of UKI's engineer and paint specialist (that all paintwork on the car had been completed to a satisfactory standard).

There is also an absence of evidence from UKI, along with a mistaken understanding by its area manager as to the relevant events. UKI has not had an engineer assess the actual problem Mrs A has complained about. The manager and an employee of the garage which completed the paintwork in question went and viewed the car. But that is not really an

independent view – and it is not equivalent to an engineer's opinion. UKI considered having the problem assessed by an engineer – in my view it would have made absolute sense for the engineer who had reportedly seen the car in December 2020 to be sent back to view it again in light of the problem reported. But UKI chose not to do that. Seemingly on the advice of one of its area managers of its repair network. The area manager's view was that this problem was not related to UKI's work because that had been completed three years earlier. I'm mindful that the claim occurred three years before – but the area manager seems to have overlooked that further work had only been done a matter of months earlier. His advice, based on this mistaken understanding of events and which was not corrected by UKI, meant that UKI did not take the reasonable action of having an engineer view the problem in question. Which now means that UKI has no expert engineer opinion for me to consider in challenge to that submitted by Mrs A.

So, overall, I'm not persuaded that UKI has provided persuasive, reliable evidence which successfully refutes the position that I've explained that Mrs A has satisfactorily established – that the problem with her car bonnet has most likely resulted from UKI's poor work. I am mindful in considering this that Mrs A's engineer's report was completed quite a while after the car was returned to her following UKI's rework. But UKI, as I said, could have had an engineer look at this before. As it didn't Mrs A had to do her best to arrange this herself and that took her a little while. However, I don't think the time that passed between the initial notification of a further problem and Mrs A's report being completed really impacts the findings. The findings report the same problem in question as identified in May 2021. And the engineer's view is that it has resulted from poor preparation when painting. Given everything I've seen – I've no reason to doubt those findings. My view is they are persuasive. As a result, given everything I've seen and found here, I think UKI needs to resolve the paint issue with the bonnet.

At this stage I don't think it would be reasonable for the car to go back to the original repairing garage for this further work to be done. If Mrs A would like UKI to, I think it should find another garage to do this work. But if Mrs A would rather have the choice of where she takes her car to, she should submit estimates to UKI for it to consider. She should submit three estimates and UKI can choose which to pay. It can pay less VAT until the work is done and Mrs A submits it an invoice showing the VAT is due. It will have to pay her the VAT amount within 28 days of the date the invoice is submitted to it. If it pays that outside that time, interest will have to be applied from the date of the invoice until settlement is made.*

UKI will also have to refund Mrs A the £200 she was charged by her bodyshop. Mrs A will have to show evidence of this outlay. UKI will have to add interest to the sum applied from the date the £200 was paid until settlement is made.*

UKI will also have to refund the cost of Mrs A's engineer's report. Mrs A will have to show it proof of her payment for this and it will have to add interest to the sum from the date the report was paid for until settlement is made.*

I think this has been frustrating for Mrs A. I think UKI should pay £150 compensation.”

Mrs A replied stating she had nothing further to add. UKI only commented about the paint specialist report. In that respect UKI said:

“The report from the paint specialist was produced for the [Financial Ombudsman Service]. The company don't provide reports - they are a third-party company so if this is there [sic] business process we have no control over it. They produced the report as a favour.”

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.

I note the comment from UKI. I accept it has no control over the business practices of third-party companies. But UKI was in control of matters here and it was ultimately up to it to ensure repairs and rework had been successfully completed. As I said provisionally "I find it very unusual that proper, contemporaneous records of assessments and further rework needed were not made or kept, particularly given the history of this claim and repair work".

As the parties have not otherwise commented on or objected to my findings, I've no need to say anything more about them. Other than to confirm that my provisional findings have not changed and that they, along with my comments here, now form the findings of this, my final decision.

Putting things right

I require UKI to:

- Repair the bonnet – at a different garage from that used before;
- or, if Mrs A prefers:
- Pay Mrs A her cost to repair the bonnet – based on its choice of three estimates presented by Mrs A – less any VAT amount shown;
- then, if work is done and Mrs A submits a VAT invoice to it:
- Pay the VAT sum due within 28 days of the date the invoice is received by it. If it pays later than this then it will also have to pay interest* on the VAT sum due, applied from the date of the invoice until settlement is made.

I also require UKI, subject to Mrs A providing proof of her outlay, to reimburse Mrs A:

- £200 being the cost charged by the bodyshop, plus interest* from the date this sum was paid until settlement is made.
- The cost of her expert engineer's report, plus interest* from the date this sum was paid until settlement is made.

I further require UKI to pay Mrs A:

- £150 compensation.

*Interest is at a rate of 8% simple per year and paid on the amounts specified and from/to the dates stated. HM Revenue & Customs requires UKI to take off tax from this interest. If asked, it must give Mrs A a certificate showing how much tax it's taken off.

My final decision

I uphold this complaint. I require U K Insurance Limited to provide the redress set out above at "Putting things right".

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs A to accept or reject my decision before 17 January 2023.

Fiona Robinson
Ombudsman

