

The complaint

Mr B has complained about the way his motor insurer, U K Insurance Limited (“UKI”) dealt with a claim he made on his policy and with the quality of repairs done to his car by one of its approved repairers.

What happened

In September 2021 Mr B was involved in an accident as a result of which his car needed repairs. The repairs were carried out by one of UKI’s approved repairers and the car was returned to Mr B. Mr B was unhappy with the quality of the repairs and complained. He said there were several issues including one with the exhaust alignment.

UKI agreed that there were issues with the repairs and the car was taken back to the repairers for further work. Mr B was awarded £150 compensation as a result of this complaint.

The car was collected around the middle of November 2021 and returned to Mr B in late December 2021. Mr B was again unhappy with the quality of the repairs. He said the car’s lights were not aligned properly and also one of the exhausts was lower than the other. UKI arranged for one of its engineers to inspect the car. The engineer authorised the replacement of one of the exhausts.

UKI upheld Mr B’s complaint in January 2022 and once again awarded him £150. Mr B had said he didn’t want the same repairers to carry out further repairs. UKI said it would arrange for the same repairers to fit the new exhaust but would ask one of its engineers to inspect the work to determine whether it was to a good standard.

Mr B raised a further complaint in February 2022. He said the repairs were carried out with poor care and skill and reiterated that he didn’t want the car to go back to the same repairers. He added that his car was losing value due to these delays and that he had planned to sell it before the accident. He added that he only wanted the exhaust aligned and didn’t understand why a new one was needed. Mr B called UKI around two weeks later and reiterated that he didn’t want his car to go back to the same repairers. And he made a further complaint in March 2022 and said that he had been promised call backs which he didn’t get.

Mr B brought his complaint to us in April 2022.

UKI issued a third final response letter in April 2022 and acknowledged that Mr B didn’t receive a call back as promised in March 2022. And for that it awarded him £75. It didn’t agree it was responsible for any delays though. It said that the parts needed for the repairs had to be ordered from abroad and it took time for them to arrive. It said they had now arrived and the repairers would make contact with Mr B.

Mr B responded to UKI saying he was still unhappy for the particular repairers to carry out the repairs. As a compromise UKI proposed to Mr B that he picks up the relevant parts from the repairers and takes them to a garage of his choice to fit. It said it would pay the labour costs which it estimated at £150 but could pay more if Mr B provided an invoice.

Mr B confirmed to us that he had since had a garage realign the existing exhaust and had since sold his car.

In his complaint to us Mr B asked for compensation for the distress and inconvenience he was caused by UKI. He said he had to postpone the sale of the car which meant that where the car could have been sold for around £21,000 in September 2021 it was exchanged for another one several months later, which was only worth £16,000.

The complaint was reviewed by two of our Investigators. The first investigator thought it should be upheld and that UKI should pay Mr B £200 compensation. She didn't think it was reasonable for UKI to say that the car should have gone back to the same repairers for a third time given how poor the repairs had been up to that point. She also agreed for UKI to pay Mr B £150 for the repairs or a higher amount if he provided an invoice and agreed with Mr B that a new exhaust wasn't needed. She said she wasn't able to award anything for the loss of value of the car as she had seen no evidence of the price the car was originally up for sale for, if this had been agreed, the price it sold for etc.

UKI didn't agree. It said that an overall compensation award of £575 was too high in the circumstances, though it agreed that the repairs had been poor. It said Mr B had provided no evidence to say that a new exhaust wasn't needed.

The second Investigator said that a further £200 compensation, as awarded by the previous Investigator, was warranted in the circumstances. She agreed that there was no other engineering evidence to say a new exhaust was not needed but she felt that if the exhaust was needed it should have been ordered from the start. She said this caused unnecessary delays. She also thought that given that Mr B had had the exhaust realigned it would be fair for UKI to reimburse him for the cost subject to him providing an invoice in support.

UKI didn't agree and asked for an Ombudsman's decision. It said even if another garage had taken over the repairs, the new exhaust would have always needed to be ordered and there would have been delays regardless. It added that it had minimal touchpoints from Mr B throughout the claim but always dealt with his complaints. It added that Mr B said he wasn't happy for the repairers to do the repairs in February 2022, and this is why the part had already been ordered.

Before I issued my decision, I asked our Investigator to clarify to UKI that as it was happy to pay Mr B £150 without an invoice (or more if Mr B provided an invoice in support) to have the new exhaust fitted, in my decision I will ask it to pay him £150 without him having to provide an invoice. Mr B says it cost him £150 to get the exhaust realigned but isn't able to provide the invoice as this was given to the new buyer. As UKI already thinks this is a reasonable amount to rectify the problem its repairer caused with the car, I think it should reimburse him.

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 have decided to uphold it.

UKI accepts that the repairs were poor and that the service it provided could have been better. But it doesn't agree that an award of £575 is reasonable in the circumstances. I don't agree.

Mr B's car went in for repairs in September. It went back again in November because the repairs were poor and need to go back again so that further work could be done. UKI and its engineers agreed that the repairers had done a poor job. In the circumstances I thought it was unreasonable for UKI to insist, until April 2022, that the car went back to the same repairers. Given how poor the repairs had been, I think Mr B's request that the same repairers don't attempt a further repair was reasonable.

Mr B said that a new exhaust wasn't needed and that ordering the new part caused unnecessary delays. UKI said it had to go by its engineer's opinion which was that a new exhaust was needed. Like our second Investigator has said, the only available expert engineering evidence with regards to this was from UKI's engineer who felt a new one was needed. So I think it was reasonable for UKI to rely on this advice. And I don't think that the delay in the parts arriving from abroad was down to UKI. But I agree that if this part was needed it could have, arguably, been ordered from the start and that this caused delays.

Mr B said that lack of communication from UKI meant that it didn't tell the repairer not to order the part. UKI said Mr B told it in February 2022 that he no longer wanted the same repairers to undertake the work and by that point the part had been ordered. However, I note that in its January 2022 final response UKI acknowledged that Mr B had already said he didn't want the repairers to carry out the work. So I don't think UKI is right about the timings. And despite the fact that Mr B understandably didn't want the same repairers to do the repairs, in January 2022, the solution offered by UKI was for them to do the repairs and for one of its engineers to inspect them. I don't think that was fair and reasonable in the circumstances, and I think the option of having a new garage do the work should have been given to Mr B.

UKI said there were minimal touchpoints from Mr B during his claim but that when an issue was raised it would deal with it. Mr B wasn't happy with UKI's communication and I can see why especially after his February 2022 complaint. I note Mr B had to call UKI a few times and complained about the lack of call backs or an acknowledgment of his complaint.

The parts arrived by April 2022 and even at that point, after Mr B had said for months that he didn't want the same repairers, UKI still suggested that the repairs be carried out by the same repairers. It wasn't until a few days later that it suggested to Mr B that he collects the parts himself and takes them to a garage of his choice. Though I appreciate the repairers said they couldn't post the parts to Mr B, I don't think it was ideal to ask Mr B to go to the trouble of collecting the parts himself.

For the reasons above, given that the matter had been ongoing since September 2021, the poor standard of repairs and the fact that the matter wasn't adequately resolved – not until Mr B eventually sold the car, I think a further £200 compensation is warranted in the circumstances.

Mr B said he had wanted to sell the car since before the accident and that the delayed repairs caused his car's value to decrease. Unfortunately, without any evidence in support of this it's not something I can award compensation for. What I will say though is that we find that it is often the case that cars actually sell for a price which is lower than the advertised or desired sale price. So, it's possible Mr B's car wouldn't have sold for the advertised sale price he wanted to achieve. And I also think that the price of the car is likely to have been affected in any event by the fact that it had undergone substantial repairs as a result of the fact that it had been in an accident.

Mr B said he got the existing exhaust realigned before selling the car but didn't retain the invoice because he gave it to the new buyer. I don't think this is unusual. UKI said it considered £150 reasonable to fit a new exhaust and would have paid this to Mr B even without him providing an invoice. In the circumstances, bearing in mind Mr B has since sold the car and also the fact that UKI acknowledges the exhaust needed realignment, I think it is fair and reasonable it now pays him £150 even if he is unable to provide the invoice. But as he isn't able to provide an invoice showing the date the work was done, I will not ask UKI to pay any interest on this amount.

My final decision

For the reasons above, I have decided to uphold this complaint. U K Insurance Limited must pay Mr B a further £200 compensation for the distress and inconvenience it caused him. This is in addition to the £375 it has already paid him and so the total would be £575.

It must also reimburse him for the cost of having his exhaust realigned – which he said was £150.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr B to accept or reject my decision before 31 March 2023.

Anastasia Serdari
Ombudsman