

The complaint

Miss K complains about repairs carried out on her vehicle by AA Underwriting Insurance Company Limited (AA) after making a claim on her car insurance policy.

Any reference to AA in this final decision includes its respective agents unless specified otherwise.

What happened

The background of this complaint is known in detail to the parties involved so I'll summarise what I've found to be the key points.

- Miss K made a successful claim on her AA car insurance policy for cosmetic damage caused to her insured vehicle. Repairs were carried out by AA's approved repairer (Company B). But upon completion, Miss K says she experienced problems with her engine and was unhappy with the quality and finish of the cosmetic repairs.
- AA arranged for Miss K's vehicle to be inspected by an independent technician (Technician C) who found cosmetic defects that would need to be rectified by AA. They also advised that Miss K take the vehicle to the manufacturer dealership to carry out diagnostic checks in relation to the engine issues – the results of which could be reassessed by AA pending the outcome.
- The manufacturer dealership advised Miss K that the engine in the vehicle didn't match the V5 registered part – suggesting this had been swapped. They noted the engine bolts and suspension bolts showed signs of being tampered with and that the headlamp and oil filter were not the original registered parts either.
- Miss K complained to AA that Company B had tampered with her vehicle, leaving her with a car that wasn't roadworthy or fit for purpose. She wanted AA to cover the cost of rectifying her car back to the condition she says it was in before its repairers worked on it.
- On receipt of this information, AA appointed another third-party (Technician D) to carry out an independent assessment. While they agreed the parts in question appeared to have changed from their original fittings, date stamped images from Company B showed the headlamp issue predated repairs. And there was nothing to suggest the oil filter and engine changes had been recent.
- As a result, Technician D concluded that it couldn't confirm a timeframe of when the changes may have happened and therefore liability.
- AA therefore concluded the engine, headlamp and oil filter weren't related to Company B's activity and so didn't uphold this part of the complaint. But it upheld the points regarding the cosmetic work and agreed to cover the costs of rectification works to these areas. Unhappy, Miss K brought a complaint to this Service regarding AA's refusal to carry out (or cover the cost of) the necessary repairs to her engine.
- Our Investigator agreed that Company B hadn't carried out the cosmetic repairs to an acceptable standard. So, on receipt of an invoice from Miss K totaling £1,940 for the

costs to rectify these works, she recommended that AA pay Miss K the invoice amount.

- But she didn't find there was sufficient evidence to show that Company B was responsible for the alleged engine change, so she didn't ask AA to do anything further in relation to this.
- Miss K disagreed with the Investigators findings and asked for more time to submit further evidence to support her testimony of events. Several extensions to timescales were therefore given. But nothing that Miss K sent to the Investigator changed her mind. The case has therefore been passed to me to make a final decision.

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 can assure the parties that I've read and considered all the information provided in reaching my decision. But in line with my informal role in deciding what a fair and reasonable outcome is, my findings will be summarised to focus on what is relevant to the crux of the complaint.

- The matter that appears to be left in dispute in this case is the issue with Miss K's vehicle engine. The parties seem to agree that this was likely changed at some point from the original registered part but disagree on who is responsible for this.
- Essentially, I've not seen any evidence in this case that definitively states *when* the engine was changed or *who* by. I therefore need to consider what most likely happened based on the information that *is* available at this stage.
- Miss K says AA are at fault because the issues in question started almost immediately after she collected her vehicle from Company B post repair. Prior to this she says her car was well kept and had a full service and MOT history to back this.
- Miss K says this is further supported by emails from her service and MOT garage and the dealership where she purchased the vehicle which state that engine changes weren't carried out by them, nor was there a record of the previous owners doing so. So, in Miss K's opinion, the changes must've taken place while in Company B's care.
- Company B dispute this. And AA says this is supported by the independent findings of Technician D, noting their point that the changes didn't appear to be *recent* as the *"majority of fixings required to be removed as part of the removal process appeared untouched."*
- It's my understanding that our Investigator also spoke with the manufacturer dealership, who, based on the current information, couldn't rule out engine changes taking place prior to Miss K purchasing the vehicle – only that they have no knowledge of this, and it wasn't changed by the dealership or the manufacturer.
- I've considered both parties submissions carefully. And on balance of what I've seen, I'm not persuaded that AA is responsible for the alleged engine change or the issues Miss K is experiencing with said engine.
- I say this because, while the parties Miss K has consulted on the matter so far have said they didn't carry out the change, they've not given reasonable comment as to who most likely did or when. And as set out above, it cannot be ruled out at this stage that the change could've taken place prior to Miss K purchasing the vehicle and so prior to it ever being in Company B's care.
- Add to this the *independent* opinion of Technician D, it's my opinion on balance of

what I've seen, that there simply isn't enough evidence in this case to say that AA has done anything wrong with regards to Miss K's car engine. It follows based on the information available at this stage, I don't uphold this part of Miss K's complaint.

- Miss K has said she's appointed her own investigator to gather further evidence in relation to the matter. AA should fairly consider any further evidence that Miss K provides. And, depending on the circumstances, AA should at that point consider whether there's more for it to do. But as of now, I won't be directing AA to do anything further in relation to this for the reasons already explained.
- AA accepts that the cosmetic repairs carried out by Company B weren't to an acceptable standard and so agreed to cover the costs of works to rectify this. I'm satisfied this is a fair resolution to this part of Miss K's complaint.
- Both of AA's technicians set out an itemised list of the applicable rectification works. And Miss K provided our Investigator with an invoice for these works from a repairer of her choice totaling £1,940. AA should therefore pay this amount to Miss K if it hasn't done so already.
- I understand that AA offered £100 compensation for the distress and inconvenience caused to Miss K as a result of these works being required post repair. This seems fair in the circumstances. AA should pay this to Miss K if it hasn't done so already.

My final decision

For the reasons set out above, my final decision is that AA Underwriting Insurance Company Limited must:

- Pay Miss K £1,940* for the rectification works required on her vehicle if it hasn't done so already.
- Pay Miss K £100* compensation for the distress and inconvenience caused if it hasn't done so already.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss K to accept or reject my decision before 25 October 2023.

**AA Underwriting Insurance Company Limited must pay the compensation within 28 days of the date on which we tell it Miss K accepts my final decision. If it pays later than this, it must also pay interest on the compensation from the deadline date for settlement to the date of payment at 8% a year simple.*

Rosie Osuji
Ombudsman