

The complaint

Miss T complains that Pukka Insure Limited (Pukka) provided poor service and recorded her at fault following a claim she made due to vandalism, under her motor insurance policy.

What happened

Miss T's car was vandalised on 18 March 2023. She contacted Pukka to make a claim. It arranged for her car to be collected the same day. The car was repaired and returned on 29 March. Miss T says she wasn't provided with a courtesy car, which meant cancelling a medical appointment for her mother. This caused inconvenience and distress.

Miss T says she eventually bought another car and insured through another provider. Her new provider required details about her no claims discount. She says Pukka didn't provide this information correctly. Miss T says she's since been told Pukka recorded a 'fault' claim against her. This caused her premium with her new insurer to double. Miss T asks that the claim is recorded as non-fault as it was the result of vandalism.

In its final complaint response dated 23 May 2023 Pukka upheld Miss T's complaint. It says it failed to keep her updated on the progress of her claim, and there were delays responding to call backs and emails. Pukka also acknowledges a delay in arranging the collection of Miss T's vehicle, which delayed the repair process. It agreed that it should've provided a courtesy car once repairs were booked in and underway.

To put things right Pukka offered Miss T £60 for the days she was without a courtesy car and £240 for the poor service she experienced.

Miss T didn't think she'd been treated fairly and referred the matter to our service. Our investigator upheld her complaint. She didn't think Pukka's offer of compensation was adequate given the distress that resulted from Miss T's mother missing a hospital appointment. She says the incident had been traumatic and the poor claims experience exacerbated the impact this had. Our investigator says Pukka should pay £300 compensation on top of the £60 payment for the lack of a courtesy car.

Both Pukka and Miss T accepted this outcome. Miss T contacted our service to chase up the settlement payment. Our investigator liaised with Pukka and confirmed this had been paid. However, this money was paid to the garage that completed the repairs. Miss T thought this amount was part of the compensation Pukka was offering. She subsequently asked for her complaint to be referred to an ombudsman. She says how the claim was recorded isn't fair, and the compensation offered isn't a fair reflection of the stress and anxiety she had to endure.

As an agreement couldn't be reached the matter has been passed to me to decide.

I issued a provisional decision in January 2024 explaining that I was intending to not uphold Miss T's complaint. Here's what I said:

provisional findings

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'm not upholding Miss T's complaint. I understand this will come as a disappointment to her, but I'll explain why I think my decision is fair.

In her complaint to Pukka Miss T confirms her car was recovered on Saturday 18 March 2023 when she called to make a claim. When she called the following Monday she was kept on hold for two hours. She says when she got through to someone she was told she'd need to make a new claim. I acknowledge that she found this distressing. Miss T says the agent she spoke with didn't know where her car was at one stage.

The next day Miss T says she called Pukka again and this time was on hold for 52 minutes. She was told the repair company would make contact, which it did by email. The following Friday Miss T received an email advising Pukka had received an estimate for the repair. It told her it would provide an update once this had been authorised. I note Miss T's comments that she should've been offered a courtesy car at this time.

Miss T's policy terms say:

"The following benefits will be available to you if you use a repairer from our network:

Courtesy car - we will provide you with a courtesy car while your car is being repaired by our recommended repairers under a valid claim. All you pay for is the fuel. If we then decide that your car is a total loss, the courtesy car has to be returned to us and we'll then settle your claim."

I can see that Miss T received an email on Tuesday 28 March 2023 confirming Pukka had authorised its approved repairer to carry out the work. Based on the policy wording, a courtesy car should've been provided on this date.

I note Miss T's comments that she spent more time calling Pukka and its approved repairer. This was on the day prior to the repairs being authorised. She says she wasn't called back as agreed. I can understand her frustration that this didn't happen.

On 29 March 2023 Miss T says she received a call telling her the repairs were complete and that she could collect her car. Alternatively, for a charge, the car could be delivered to her. The garage was over 30 miles away and Miss T says she hadn't been told she'd have to travel to collect her car. The garage agreed to contact Pukka to discuss this point. It subsequently delivered the car to Miss T that evening, without charge. I note Miss T's comments that there was no petrol in the tank when the car was returned. She says she never lets it run on empty as she doesn't want to risk breaking down.

I've thought about Miss T's comments that she was left without a courtesy car. She says this meant cancelling a medical procedure for her mother, who is a named driver on her policy. She says the procedure was planned for 31 March 2023. Miss T says both her and her mother experienced a traumatic experience when her car was vandalised. She says Pukka's handling of the claim made the situation worse.

Pukka acknowledges its standard of communication could've been better. It offered £240 for the impact this had on Miss T and her mother. I agree that the time Miss T spent on hold was unreasonable. She was also distressed when Pukka's agent didn't know the location of her car. In these circumstances I think it's fair that the business offered compensation. But I'm satisfied that £240 is appropriate.

I've thought about the time Pukka took to handle Miss T's claim. I understand Miss T was upset by the experience and was inconvenienced by the lack of her car. But I think it's reasonable that Pukka required time to identify the extent of the damage, ensure this was covered by Miss T's policy and check the repair costs were reasonable before authorising the work. I don't think a total of 11 days to complete the repairs from the date the damage was reported was unreasonable.

Miss T's car was fixed and returned to her the day after the repairs were authorised. This didn't leave much time for a courtesy car to be provided. In the circumstances I think Pukka's offer of £60 in compensation was fair.

I acknowledge Miss T's view that it's not fair for Pukka to record her at fault for this claim. I can understand her point. However, the way in which claim outcomes are recorded is based on whether the insurer has been able to recover its costs. In this case the damage resulted from vandalism. Although this wasn't Miss T's fault, there is no third-party insurer to claim from. Pukka hasn't been able to recover the costs it paid to repair Miss T's car, so the claim record will reflect this. So, although I sympathise with Miss T, I don't think Pukka has been shown to have acted unfairly here.

I note Miss T's comments that she received her car back with no miles showing on the fuel gauge. I can't see that Pukka responded to this part of her complaint. Miss T hasn't shown how much fuel was in her car when it was damaged. But I think the compensation Pukka has offered Miss T reasonably accounts for any loss that occurred here and for the inconvenience this caused.

Having considered all of this I think the standard of communication and service Miss T received could've been better. But the compensation it offered is fair. I don't think it behaved unfairly in how it recorded Miss T's claim so I can't reasonably ask it to do anything differently.

I said I was intending to not uphold Miss T's complaint.

I asked both parties to send me any further comments and information they might want me to consider before I reached a final decision.

Pukka didn't respond with any further comments or information for me to consider.

Miss T responded to say I hadn't commented on an offer of £1,500 to £2,000 that was made to her by a member of staff from Pukka. She says she didn't accept this offer over the phone but rather asked for it to be confirmed by email. But this didn't happen.

Miss T says it has been wrongly assumed that she thought a settlement payment for £3,199.73 was to be made as a compensation payment. She says our investigator gave the impression she would receive the compensation payment Pukka offered and another payment for the value of her car. She says it was only later that she was told the £3,199.73 payment was actually to pay for the repairs completed on her car.

Miss T says she doesn't think my provisional findings are a fair reflection of all of her complaints. But she feels she has no alternative but to accept the £360 compensation. Miss T says our service has failed to act on her behalf and, "*make the appropriate customer service changes that Pukka should be held accountable for*". Miss T concludes her response to say she still has to pay a higher premium due to Pukka's lack of communication about insurance regulations.

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'm not persuaded to change my provisional findings.

I acknowledge what Miss T says about Pukka's agent offering £1,500 to £2,000 over the phone as a compensation payment. I don't dispute what she says. But Pukka didn't offer this amount in its final complaint response. It offered £240 compensation for its poor service plus £60 to compensate for the days she was without a courtesy car.

A compensation payment of £1,500 to £2,000 isn't something our service would consider proportionate to these circumstances. I can understand that this must be disappointing for Miss T. But I can't see that Pukka was actually prepared to pay her this level of compensation. I think it's likely that this was down to a miscommunication. But as Pukka has provided a compensation payment, I don't think it needs to do more in relation to this point.

I note Miss T's comments that she didn't think a settlement payment was part of the compensation Pukka was offering. Rather, this was the impression given by our investigator.

I can see that our investigator did indicate a settlement payment would be paid to Miss T. However, the settlement payment was actually the repair cost that Pukka was paying directly to its appointed repairer. Our investigator confirmed this in her later correspondence.

In my provisional decision I reiterated that Miss T had thought the payment for £3,199.73 was part of the compensation Pukka was offering. I'm sorry if this caused confusion. But there was no settlement payment as Miss T's car was repaired. So, there would be no requirement for Pukka to make a payment other than the compensation it had offered. This is why I assumed Miss T had thought this payment was part of a compensation offer. Again, I'm sorry if this wasn't made clear but I'm satisfied the compensation Pukka offered was fair.

I'm sorry that Miss T's insurance premium has increased. However, I don't think Pukka behaved unfairly when recording this claim in the way it has.

Finally, I note Miss T says she has no alternative but to accept the £360 compensation. For clarity Pukka offered £240 compensation plus £60 for the lack of a courtesy car. This comes to £300 in total, not £360. I consider this offer fair, so I won't ask it to pay anymore.

My final decision

My final decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss T to accept or reject my decision before 12 March 2024.

Mike Waldron
Ombudsman