

The complaint

Mr P complains that First Central Underwriting Limited (FCUL) have refused to undertake repairs that relate to his original claim, and have provided poor customer service when dealing with his claim

What happened

Mr P made a claim on his insurance when his car was hit whilst he wasn't in it. His car was sent to FCUL's approved repairers for repair and was returned to him in February 2023.

Mr P says that after the repairs were completed further issues arose, as in September 2023 he noticed a knocking noise.

FCUL didn't agree that the cause of the noise was related to the accident, and Mr P says has had to arrange for additional repairs to the chassis, a damaged tyre, and issues at the rear end. He has been unable to use his car at the weekends and has spent many hours trying to sort it out.

Mr P complained and in FCUL's final response letter they said that they were satisfied that the new issues were not accident or repair related, but they offered Mr P £150 for the distress and inconvenience he had experienced in the claim process.

Mr P wasn't happy with this outcome and so he brought his complaint to us.

One of our investigators looked into Mr P's complaint and he thought that FCUL's offer was fair, but Mr P disagreed, and so the case has come to me to review.

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've looked at the evidence provided by both sides including the reports and pictures. I'm not an expert in car engineering, and so I have to rely on the evidence before me from those involved, including experts, to determine what is most likely to have happened. Having done so, I'm upholding this complaint and recommending that FCUL pay the compensation that they have already offered.

The repairs

Mr P's car was returned to him in February 2023, and he first noticed a knocking noise in September 2023, some 7 months after it was returned.

As he thought it was related to the repairs that had been done, he asked FCUL to take it back. Their approved repairers took the vehicle back in for inspection, and as part of that, they sent it to the dealership to undertake an inspection and produce a diagnostics report.

I've seen the video that was taken of the vehicle and I've seen the report prepared. Both identify the source of the knocking as being caused by play in the prop shaft, and recommend replacement of the prop shaft, the Haldex pump – which is leaking - and the rear differential. The report dated 19 September 2023 says:

“Thanks for your call regarding the above vehicle. I can clarify that the Haldex unit on the vehicle needs to be replaced as it is leaking oil and with that, we would require the rear differential oil to be replaced as well.

We have also found that the prop shaft on the vehicle has excess movement and is making considerable noise and requires to be replaced.

The are no obvious signs of damage to the vehicle and we cannot see any external factors to have caused the above issues. We would advise wear and tear and improper maintenance of the vehicle.”

Mr P says that he didn't have any work completed as FCUL said it wasn't covered because it had been attributed to wear and tear rather than the accident. He then took the car to his usual dealership in November 2023. They identified the knocking sound as being the wheel bearing knuckle, saying,

“As discussed, we found the below wheel bearing to be as seen in the photos. We cannot confirm if this part was changed in the repair or if it is still the original part , however, we have noticed the inner wheel bearing ring is out of place and some damage on the outer part of the bearing”

Mr P has said that this indicates that it wasn't repaired or wasn't repaired properly by the original repairer.

The approved repairer has been asked to comment on this and has provided evidence I support of their comments. They have provided receipts showing that a new wheel bearing, knuckle and hub were all purchased at the time of repair, and photographs to show that the parts were fitted. They have also provided evidence that all the wheels were tested and were correctly aligned.

So, while I accept that Mr P's report does identify an issue with the vehicle, there isn't any evidence that this issue, or the knocking noise, is connected to either the original accident or any failed repairs.

It appears that the most likely explanation for the noise is provided in the expert report from the dealership that were instructed by FCUL, and in that event, I consider that FCUL have acted fairly in declining to cover the further repairs that Mr P has undertaken on the replacement of the wheel bearing and knuckle.

Poor service

Mr P says that he received poor service from the approved repairer, acting on behalf of FCUL. He says that the communication was poor and he had to do a lot of chasing himself . FCUL have accepted this and offered Mr P £150. I've reviewed the communication and

notes, and I can see that the communication hasn't always been to the standard that Mr P should have received. Sorting out a claim will always have some delays and difficulties, but I think that FCUL have not always made the journey as easy as it could have been and so I consider that the £150 offered is fair and in line with the compensation we would expect to see for this type of service failing.

I understand that Mr P has also said that he has had difficulty in raising his complaint. Unfortunately, I can't make any comment about this as we can't respond to complaints about whether the business handled the complaint itself fairly, only whether it has dealt with the claim fairly.

Putting things right

To put things right, FCUL should

- Pay Mr P £150 for the trouble and upset caused by the poor service.

My final decision

My decision is that I'm upholding Mr P's complaint and directing First Central Underwriting Limited to put things right as above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr P to accept or reject my decision before 28 October 2024.

Joanne Ward
Ombudsman