

The complaint

Mr S is unhappy with the way UK Insurance Limited (UKI) handled the repair to his vehicle following a claim he made on his motor insurance policy.

What happened

In June 2023 Mr S' vehicle was hit by another vehicle whilst parked causing a fair bit of damage. He reported it to UKI and they arranged for his vehicle to be inspected. The vehicle was collected around five days later but it was a further four days until the vehicle was assessed. It was then determined repairable, and Mr S was provided with a courtesy car whilst UKI's approved repairers carried out the repairs.

Mr S received his vehicle back on 5 July but he wasn't happy because the vehicle hadn't been fully repaired, there were still visible scrapes and scratches. The garage had offered Mr S £100 as a gesture of goodwill as the scrapes were on the same panel they'd repaired but said in their opinion, the scratches/ scrapes were pre-accidental damage. The garage inspected the vehicle for a second time to assess the scratches/ scrapes but concluded the remaining damage wasn't consistent with the accident being claimed for. They said the damage was old damage which had rusted.

Mr S complained about this as well as a delay in being provided a courtesy car and that he had to cancel a trip as he didn't have his car to tow his caravan. He was also unhappy with the way the engineer had spoken to him and the overall distress and inconvenience it had caused.

In their response UKI said that before Mr S could be provided with a courtesy car the vehicle needed to be assessed. And once it was determined the vehicle was repairable, he was provided with a courtesy car. However, they recognised there was a lack of communication from the garage. Whilst there was no evidence of the conversations that took place between the garage and Mr S, UKI took Mr S' word and apologised for the service provided.

UKI also said that there wasn't enough done from a claim perspective to resolve Mr S' ongoing concerns in relation to the unrepaired damage. In recognition of the distress and inconvenience caused they paid Mr S a further £350 and agreed to cover any travelling expenses for the time he was without a courtesy car. UKI had also previously paid £100 as offered by the garage as a goodwill gesture and another £100 for the inconvenience when his vehicle was inspected the second time.

Mr S referred his complaint to this service. He explained he has since part exchanged the vehicle but feels the unrepaired damage impacted the price he received. Our investigator felt UKI had evidenced the pre-accident damage, but the overall service provided fell short. She concluded that the £550 UKI had already paid by way of compensation was fair and reasonable in the circumstances, so she didn't ask UKI to take any further action.

I issued a provisional decision on 4 April 2024. It said:

I've considered all the available evidence and arguments to decide what's fair and

reasonable in the circumstances of this complaint.

I'd like to reassure Mr S that whilst I'm aware I may have condensed some of the complaint points in far less detail and in my own words, I've read and considered everything he's told us. I'm satisfied I've captured the essence of the complaint and I don't need to comment on every point individually, or possibly in the level of detail he would like, in order to reach what I think is a fair outcome. This isn't meant as a discourtesy, but it simply reflects the informal nature of our service.

UKI have a responsibility to handle claims promptly and fairly and they shouldn't decline a claim unreasonably. They accepted the claim but determined some of the damage to be pre-accidental. So some parts of the vehicle were left un-repaired.

Having reviewed the information provided to UKI by the garage about the pre-accident damage, I'm not persuaded that all the unrepaired damage was there before the accident. There are some areas as noted in the comments from the garage that were noticeably rusted, and I agree that given the rust it is likely this was pre-accident damage. However, the scrapes along the door and sill are similar in nature to the damage caused in the accident which was repaired. I note the colouring of the scrapes appeared fresher and having viewed the CCTV footage I think it is possible that Mr S' vehicle was damaged from two different directions, when the third party drove into the space and then when they pulled out where they caused more noticeable damage.

Whilst it is understandable that UKI would place weight on the garage's comments, the garage had determined the pre-accident damage because of the signs of rust in some areas and because they didn't feel the unrepaired damaged matched the explanation given on how the accident occurred. I think UKI could have done more here such as sharing the CCTV footage with the garage to seek their further thoughts on the matter. I can't say for sure what the garage would've determined having seen this, but I think it would have allowed them to assess the situation more reasonably given Mr S' ongoing concerns.

Due to the time that has passed and considering that Mr S has since part exchanged the vehicle, it isn't possible for UKI to take a further look at things. Mr S says the remaining damage, that should have been repaired, impacted the value he achieved for his vehicle. I haven't seen anything in relation to the value he received at part exchange to support this. It's possible there were other things factored into the valuation provided. Mr S made a choice to accept £300 for his vehicle as part exchange but that doesn't mean he wouldn't have achieved more elsewhere. So, I don't think it's fair to ask UKI to pay the difference in the value he achieved compared with the adverts he's provided.

I recognise Mr S has concerns as he was without a vehicle when his car was being assessed. The policy terms and conditions explain that Mr S would be entitled to a courtesy car while his car is being repaired by an approved repairer. I can see that he was provided with a courtesy car whilst his vehicle was being repaired. I understand there was a bit of a delay in the vehicle being assessed due to staff shortages which meant Mr S was without a vehicle for five days. UKI have agreed to cover any travelling expenses incurred if Mr S provides receipts which I don't think is unreasonable given the circumstances, but this was an added inconvenience.

For the reasons explained, I think the service UKI provided during the claims process has fallen short. UKI have already accepted this and paid £550 in compensation. But taking account of everything I don't think this fully compensates Mr S for the distress and inconvenience he's experienced.

Whilst I can't say for sure what the outcome would've been had the garage had sight of the

CCTV, it would have reassured Mr S that his vehicle had been inspected with all the facts considered. But at the very least, I think it reasonable for UKI to have seen from the footage that there was a potential that most of the damage was caused in the one incident and therefore following this up with the garage. But from what I've seen there was no specific follow up or questions put to the garage in this respect.

Mr S had been put to additional distress and inconvenience when UKI inspected the vehicle for the second time. He was due to go on holiday using the vehicle to tow his caravan but wanted the vehicle repaired so postponed his trip. But the vehicle was returned without any further repairs taking place. I think UKI could've managed Mr S' expectations here as he was under the impression the vehicle would be repaired fully rather than just another inspection and from the communication with him, I can understand why he thought this.

Taking account of this, the delay in assessing the vehicle and receiving a courtesy car and considering that it is likely Mr S didn't get as much for his car as he would've but there's no evidence to show how much he would've got so distress and inconvenience is all I can fairly award. My provisional thoughts are that UKI should pay Mr S a further £150 for the distress and inconvenience caused.

Responses to my provisional decision

UKI didn't respond. Mr S explained that he had paid £100 excess, but his vehicle wasn't fully repaired. He's also provided information to support what he received at part exchange, I'm now aware this was £350. And he's shared what he considers to be the vehicle's value, highlighting what he felt he had lost out on due to UKI not fully repairing the vehicle.

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.

In line with the policy terms and conditions an excess is applicable to any claim. So regardless of the fact that Mr S' car wasn't fully repaired, some repairs had been carried out at a cost to UKI. So I don't think it would be fair to ask UKI to refund this as it would always have been payable regardless of the claim amount or number of repairs taken place.

Mr S has explained that UKI have told him repairs to his car were £2177.62. And given that UKI didn't write the vehicle off he feels this supports the fact it was worth more than the £350 he received at part exchange. He believes his vehicle would've been worth at least £4355.24 so has therefore lost out by £4,000.

I understand why Mr S feels this way. However, he made the choice to part exchange the vehicle whilst purchasing a new one and accepted £350 for it. What is offered at part exchange isn't necessarily what the vehicle is worth, and the invoices provided show the part exchange value but no detail as to why that price was agreed. Mr S may have achieved more if he had sold the vehicle elsewhere. In considering this fairly, I'm also mindful that as there isn't any detail as to why it was valued at £350 and given the time between the incident happening and the part exchange taking place, it's possible other things could have gone wrong with vehicle which could also have impacted the value. Taking account of this I don't think it would be fair to ask UKI to pay £4,000 Mr S feels he has lost out on.

Whilst I have considered the further submissions, I'm not persuaded by them and therefore see no reason to deviate from the outcome set in my provisional decision.

My final decision

My final decision is that U K Insurance Limited should pay Mr S a further £150 for the distress and inconvenience it has caused.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr S to accept or reject my decision before 11 June 2024.

Karin Hutchinson
Ombudsman