

## **The complaint**

Mr W complains that U K Insurance Limited (UKI) gave him poor service and incorrect advice when he made a claim on his motor insurance policy.

## **What happened**

Mr W's car was involved in an accident in August 2023. He made a claim under his policy and UKI arranged for repairs to be completed. Mr W says the standard of the work was poor and he had to return the car to the repairer. He also says he was told he wouldn't need to pay his policy excess once UKI had received the witness report form.

But UKI later said they could only waive the excess once liability was admitted. Mr W said he could have used a credit hire agreement instead of using his policy had he known this. Instead, he had to pay his policy excess which he says caused him financial hardship.

Mr W was also unhappy about the poor service he says he's received – he said since reporting the incident to UKI he's been misadvised about the progress of the claim. He was also unhappy about the type of courtesy cars provided - he said they weren't suitable replacements for his own car.

Mr W complained to UKI who agreed the quality of the repairs had been poor. They also agreed that they'd provided incorrect information to Mr W – so they made a compensation offer of £300 and refunded Mr W's excess as a good will gesture. But Mr W remained unhappy with UKI's response, so he brought his complaint to this Service.

An Investigator looked at what happened and recommended the complaint should be upheld. He initially said UKI had provided a poor level of service and should pay £400 compensation – however he later reduced this and agreed with UKI's original offer of £300. He also said UKI should provide a redacted copy of the repair report Mr W requested.

Mr W disagreed with the Investigator's recommendation – he said he'd received misinformation and a lack of claim's guidance. He also didn't feel the courtesy cars provided were suitable replacements for his own. He asked for the matter to be considered by an Ombudsman - so the complaint has been passed to me to decide.

## **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.

As the details of this complaint are well known to both parties, I won't repeat them again here. This is because UKI have agreed they didn't provide an adequate claim's experience and upheld Mr W's complaint points in relation to repairs, excess, and claim's handling. As UKI have confirmed they made a mistake in relation to these points, I only need to consider what the impact of the mistakes were and what steps they've taken to address them. As such, I've focused my decision on the claim's information provided at the outset - as well as the courtesy cars provided.

I can see Mr W originally asked for a courtesy car in line with his own car's value, and later said he didn't feel the courtesy cars were suitable replacements given the prestige nature of his own car. I've looked at what UKI were required to do in this situation under the policy's terms. Mr W is entitled to a replacement car of a similar physical size to his own. The terms don't entitle Mr W to a specific make or model, or say the vehicle needs to be the same year or value as his own car.

And Mr W hasn't raised any specific reasons why he would need a larger vehicle other than being concerned over the prestige nature of his own car. Having looked at the courtesy cars provided, I think these were suitable replacements in line with the policy's terms and I'm satisfied UKI acted fairly.

In respect of the information given to Mr W at the start of the claim, I appreciate being told he wouldn't need to pay his excess when this wasn't the case would have been inconvenient – especially as I can see Mr W specifically asked whether he could be transferred to a non-fault service to avoid paying his excess. Mr W has said paying his excess put him into financial difficulties as he was forced to use his overdraft.

As Mr W's insurer, UKI was obliged to provide Mr W with information that was clear, fair, and not misleading, in line with their obligations under the FCA's Principles and the Consumer Duty. That didn't happen here and UKI have acknowledged this.

But while I'm persuaded Mr W would likely have wanted to use a non-fault service if he was told he would need to pay his excess, I can see the third-party insurer denied liability for the claim. This means a non-fault service on credit hire terms likely wouldn't have been available to Mr W in any event. And he would have always needed to pay his excess given liability wasn't agreed until several months after the accident.

Finally, Mr W has asked UKI for a copy of his repair report. I can't see that UKI has provided any substantive reasons why they can't provide a copy of this. So, I think they should provide a redacted copy of the repair report for Mr W's records.

### **Putting things right**

UKI refunded Mr W's excess in October 2023 and made an offer of £300 compensation. I've thought about whether that's enough compensation to reflect the impact to Mr W. I've considered Mr W's testimony, the available evidence, and the total delays experienced. Overall, I find that £300 is fair and reasonable and in line with what I would have directed if UKI hadn't made such an offer, so I'm not going to require them to increase this.

UKI should also provide a redacted copy of the engineer's report for Mr W's records.

### **My final decision**

My final decision is that I uphold this complaint. I require U K Insurance Limited to:

- Pay £300 compensation; and
- Provide a redacted copy of the engineer's report for Mr W's records.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr W to accept or reject my decision before 21 November 2024.

Stephen Howard  
**Ombudsman**