

## **The complaint**

Miss M has complained about the handling by UK Insurance Limited ('UKI') of her motor insurance claim following an accident. For the avoidance of doubt, reference to 'UKI' includes reference to its agents and representative for the purposes of this decision. Reference to 'Miss M' includes submissions made by her representative on her behalf.

## **What happened**

Miss M unfortunately had a car accident in August 2024. As UKI was her motor insurer at the relevant time, she immediately reported the matter to UKI. There were difficulties in relation to provision of a hire vehicle under the policy, and also in relation to repairs that were carried out by UKI's agents. Miss M also considered that UKI was responsible for numerous failures in terms of communication and customer service.

UKI accepted that it had been responsible for certain service failures and offered Miss M £350 in compensation. Miss M was unhappy with this offer and in relation to on-going issues with UKI, and so she referred her complaint to this service.

The relevant investigator didn't ask UKI to do anything else in relation to the matters addressed in UKI's final response letter of November 2024 and considered that £350 compensation was fair. She agreed that UKI's agents could have been more proactive regarding re-inspection. The investigator explained that UKI would need to be given the opportunity to complain in relation to any subsequent complaints.

As Miss M remained unhappy with certain aspects of the complaint outcome, the case was referred to me to make a final decision in my role as Ombudsman.

## **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.

The key issue for me to determine is whether UKI responded to Miss M's complaints regarding the service it provided up to November 2024 in a fair and reasonable manner. I consider that it did so, by offering compensation of £350, and I'll explain the reasons for this final decision. In reaching this decision, I've also considered the submissions of the parties as summarised below.

Miss M said that due to miscommunication, UKI was responsible for confusion regarding the location of the car following the accident. She'd explained that she was due to go on holiday the morning of the accident and urgently needed a hire car. UKI then delivered the car to the wrong address, despite Miss M being asked for extra identification multiple times. The car arrived 30 minutes after UKI claimed that it had arrived. Miss M said that she'd stressed that she needed a car of a similar capacity to her own vehicle due to all items she needed to take on holiday. However, because the hire car was too small, she had to *'leave luggage behind and struggled to repack due to the limited space in the car.'*

Once Miss M arrived her first holiday destination, UKI eventually offered to deliver a replacement car which was similar in size to her own vehicle but with a lower specification. She'd had enough by this point and accepted the car. Ultimately, she had to leave her first destination a full day earlier than planned to collect luggage left behind, before taking her onward journey. The ongoing issues disrupted the entire holiday and she said she received constant calls from the various UKI agents during her holiday.

As to Miss M's own car, she'd explained to UKI that a warning light was showing after the accident, putting the car in limp mode. UKI assured her that this would be addressed unless the car was deemed unrepairable. When her car was eventually returned, Miss M noticed that the paintwork didn't match, and *'the door handles were rough and different from those on the opposite side'*. This was confirmed by an independent dealership garage, which also stated that the bodywork wasn't up to the manufacturer's standard. She could also hear constant wind noise coming from the front passenger side, and furthermore the warning light was still on. She said, *'Essentially, the car was in worse condition than when it was sent in, except for the dents that had been repaired.'*

UKI then required Miss M to bring the car in personally, which she felt was unreasonable given that it was UKI's mistake, and this caused inconvenience regarding family arrangements. She felt that the garage had acted in an unprofessional manner throughout. When it returned the car, it was dirty inside, with oil and dirt on the glove box. The car then needed to be taken in again to be repaired as regards the warning light.

Eventually, UKI considered the repairs complete, and she got her car back, however the entire computer system had failed. Upon further investigation, it appeared that the garage had *'manually overridden the computer system to hide the error, which likely hasn't been fixed, leaving me with a car where features that should work do not'*. She said by the date of her complaint to this service, her ordeal had been ongoing for several months *'and there is still no end in sight'*. She said that the matter had prolonged certain financial and business strains and had caused distress.

In conclusion, Miss M said that *'Managing constant calls, conflicting information, and repeated mistakes from multiple parties has been exhausting and disruptive.'* She'd made a further complaint to UKI about ongoing issues such as the car's repairs, finance payments, storage costs, and any further charges incurred. However, she made it clear that she wasn't in disagreement with the compensation provided by UKI for the points covered in its final response letter. She was nevertheless frustrated that, due to the limitations of this service's remit, other outstanding key elements remained unresolved.

I now turn to UKI's submissions in response to Miss M's complaint. In its final decision of November 2024, UKI upheld many aspects of Miss M's complaint. However, it didn't uphold Miss M's complaint regarding the hire car. It stated that it had provided the correct delivery details to its agent and didn't consider that it had been at fault. It referred to the wording of the policy, but also stated that its agent provided a vehicle outside of the insurance contract.

Regarding repairs, UKI acknowledged that from notes of inspection in November 2024, its engineer had recommended further rectification work on the vehicle. Due to this, it acknowledged that the initial repairs weren't up to standard. It said that this wasn't the level of care and attention it would expect from its suppliers and apologised. Initially, it didn't uphold a complaint about water ingress via the speaker, however it later agreed to remedy this as a goodwill gesture. As to the attitude of staff members at the relevant garage, it wasn't able to establish exactly what happened, however it was willing to accept that the service received by Miss M in this respect wasn't acceptable.

As to the timeline for repairs up to November 2024, UKI said that it could take time to arrange a physical inspection, but it agreed that this wasn't completed in a timely manner. It noted that a physical inspection was requested at the beginning of October 2024, and that an inspection then didn't take place until early November 2024. It apologised and offered £350 in compensation for the inconvenience caused by the unsatisfactory repairs along with the delayed timescales for reinspection.

I now turn to my reasons for not requiring UKI to do anything else in relation to Miss M's complaint for the period up to the date of its final response letter of November 2024. I agree with the investigator that UKI didn't handle the claim well up to this point, however I do consider that the offer of £350 in compensation was a fair and reasonable response to the difficulties experienced for the period up until the date of the final response letter.

With regard to the hire car, I consider that delivery of a car to the wrong address was unfortunate, and it's also unfortunate that in its final response letter, UKI sought to disassociate itself from its agent's error. However, I'm satisfied that it's a mistake that was addressed fairly rapidly and I wouldn't expect further compensation to be paid in this respect. An apology would be seen by our service to be sufficient. I also note the trouble and inconvenience caused due to delivery, firstly of a car to Miss M which didn't have the luggage capacity of her own, and secondly of a car which was of a lower specification than her own. Nevertheless, Miss M was provided with a replacement car on the day of the accident, and this allowed her to continue with her holiday despite her accident.

As to the type of hire vehicle, I'm satisfied that UKI was responsible for providing the vehicle it had promised to provide, regardless of whether its agent decided to provide a vehicle outside the insurance arrangements. Miss M's policy is clear that, in the event of a claim, UKI will provide her with a courtesy car that *'is intended to keep you mobile whilst the repairs are carried out and will be a small hatchback car with an engine size of up to 1000cc'*. Whilst the cars provided weren't the same and didn't have the capacity as her own car, despite its attempt to disassociate itself from the agent's actions, I consider that UKI did fulfil its obligations under the policy, and its agent made efforts to accommodate Miss M's wishes in terms of the capacity of the second car which it provided. I can't therefore say that UKI acted in an unfair or unreasonable manner as regards provision of a hire vehicle.

As for receiving calls during her holiday, after an accident, this is unfortunately an inevitable inconvenience. This is the result of the incident rather than the result of poor service. Indeed, it demonstrates efforts by UKI to keep in touch, at least at the beginning of the claim. I do however recognise that there were a number of other examples of communications which could have been better handled by UKI during the early stages of the claim, and up to November 2024.

Regarding repairs, I note that although the initial repairs to the vehicle were completed in early September 2024, the car then had to be returned twice to the garage for repairs, because the initial repairs were unsatisfactory. UKI ultimately acknowledged that there had been inadequate repairs, and that certain rectification works were accident-related. I also note that in early October 2024, UKI agreed to investigate the issues. However, Miss M then had to chase the matters on three occasions in October 2024, as she hadn't heard back. She had a 5-week wait before her car was re-inspected. I consider that this was an unreasonable and unfair in terms of communication and timescale. As for Miss M's complaint that the speakers in her car had been damaged by water ingress, UKI didn't initially uphold this aspect, but has since agreed to rectify the issue as it's been shown that water was coming through seals which were likely to have been damaged in the accident. I consider that this is a fair response to this particular aspect of the complaint.

As to the attitude of staff members at the relevant garage, I note that UKI has taken Miss M's word that the service received by Miss M in this respect wasn't acceptable. This is quite separate from a later telephone exchange between Miss M and UKI's representative on one occasion, however this complaint hasn't yet been addressed by UKI in a final response letter, and so does not form part of this particular decision.

In conclusion, I consider that UKI's handling of this claim and communication failures have caused Miss M unnecessary distress and inconvenience over a number of weeks up to November 2024. In addition, UKI acknowledged that the initial repairs weren't up to standard, and that the timescale for re-inspection was unreasonable. Whilst a hire car had been provided by UKI throughout, this didn't provide a solution to all the difficulties being experienced by Mrs M due to UKI's service failures. Accidents inevitable cause stress and inconvenience, and an insurance claim invariably takes time to resolve. On balance however, I'm satisfied that £350 compensation offered by UKI was a fair response to recognise the unnecessary additional distress and inconvenience it had caused up until the date of the final response letter of November 2024.

I'm unfortunately unable to comment upon any on-going repair issues or complaints by Miss M regarding the service which she's received since the date of the final response letter in November 2024. I appreciate that this will come as a disappointment to Miss M as she understandably feels that it's an on-going problem which should be handled holistically. However, UKI must first be given the opportunity to respond fully and/or resolve any further complaints before these may be examined by this service.

### **My final decision**

For the reasons given above, I don't uphold Miss M's complaint and I don't require UK Insurance Limited to do any more in response to her complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss M to accept or reject my decision before 20 February 2025.

Claire Jones  
**Ombudsman**