

The complaint

Mrs N complains about how Tesco Underwriting Limited (Tesco) dealt with a claim on her motor insurance.

What happened

Mrs N had motor insurance underwritten by Tesco. Her car was involved in an accident and she made a claim on her insurance policy. Tesco told her it couldn't find one of its approved repairers to do the repairs for a number of weeks, and suggested she find her own repairer. Mrs N did so, and Tesco arranged for the car to be taken to the repairer and for Mrs N to have a hire car. Mrs N wasn't happy that Tesco didn't keep her or the repairer updated with its decision about authorising the repairs, and she had to keep chasing things up, which delayed the return of her car. When the car was returned the repairs hadn't been completed satisfactorily. Mrs N contacted Tesco but it took several calls for Tesco to agree that the car could go back to the repairer. When the car was returned again there was mould in the inside, a fault light on the dashboard, and poor quality paintwork. Mrs N complained to Tesco and said she didn't want the same repairer to fix the car. After several calls Tesco agreed for the car to go to one of its approved repairers. Mrs N says that Tesco sent her its final response to her complaint saying things were resolved before the car was returned from the approved repairer. Mrs N contacted Tesco and said this wasn't the case and also asked for an update on the repairs. She says Tesco were unable to tell her where the car was and so couldn't give her an update. Mrs N got her car back from the approved repairers about six months after the accident, but the repairs still hadn't been done properly and there was still a fault message on the dashboard. Mrs N says she contacted Tesco who said the car would have to go back to the original repairer, but she wasn't happy for this to happen. Mrs N says she emailed Tesco several more times but didn't get a response, so eventually she gave up.

Mrs N was also unhappy that the hire car provided for her was smaller than her own car which meant she couldn't take all her family out together.

In its final response letter to Mrs N's complaint Tesco said it was upholding her complaint but that it now understood that the repairs had been rectified to an extent where Mrs N was satisfied with the final outcome. Tesco apologised for the poor level of service that Mrs N experienced and for the frustration and inconvenience caused to, and said it hoped she would agree that the correct steps were taken in order to resolve her concerns.

After Mrs N pointed out to Tesco that the repairs hadn't been completed, Tesco said:

"As your Vehicle is in being rectified we would consider the complaint itself closed, however once it does come back to you, if there are any further issues at all we are more than happy and able to re-open the complaint, readdress the issues and take it from there.

At the minute we've not been informed of any estimated completion date for the rectification but I'll get in contact with the claims team and try find that information out and get that update passed on to you."

Mrs N wasn't happy with what Tesco said and complained to this service. After being told of

this, Tesco offered Mrs N £250 compensation. Mrs N didn't accept Tesco's offer, so her complaint was investigated.

Our investigator upheld Mrs N's complaint. He said Mrs N's car had failed its MOT test after she complained to this service because the battery brace bracket was missing leaving the battery insecure and likely to fall, and there was a fault message on the dashboard. The investigator said Mrs N had since had these repaired and the MOT test was passed. He said Tesco should reimburse Mrs N for the costs of these repairs and sent copies of the invoices to Tesco.

The investigator said Mrs N also raised that there was a piece of trim missing from the underside of the car's bumper, and that Tesco should consider this cost once Mrs N provided the invoice. He attached a copy of photographs showing the missing part

The investigator said that having considered the poor service which led to Mrs N having to arrange her own garage, the multiple failed repairs by Tesco's network garage, the delays and poor communication experienced, having to remove mould from the car, driving a car with the engine warning light, and the distress from being told the condition of the battery, the compensation should be increased to £500.

Tesco didn't respond to what the investigator suggested, so Mrs N's complaint has been passed to me. Mrs N wants the claim settled.

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 uphold Mrs N's complaint. I'll explain why.

I can see that Mrs N had to go to considerable trouble to try to get the repairs to her car completed. Although I can't look at what the first garage did as Mrs N arranged this herself, I can look at what happened subsequently and at what Tesco did that meant Mrs N had to find her own garage.

It seems that Tesco has accepted that the service it provided to Mrs N wasn't good enough, as it offered her £250 compensation. However in light of the length of time it took Mrs N to get her car repaired and the considerable distress and inconvenience she suffered being without her car and then discovering she had been driving it in a potentially unsafe condition, I think this should be increased to £500, which is in line with what this service would suggest for such a lengthy period of distress and inconvenience that took considerable effort to sort out.

I also think that Tesco should reimburse Mrs N for the parts she has had to replace on her car because of the poor work carried out by Tesco's garage, which meant either that damage was caused or problems not rectified.

Mrs N has provided invoices that show she has paid £312.05 for parts to return her car to a safe and driveable condition. Copies of these invoices have already been provided to Tesco by the investigator.

Mrs N obtained estimates of £60 - £100 for a used under bumper cover, and was waiting for a price for a new part. If she has now bought the part and provides an invoice Tesco should pay for this also.

Mrs N has also complained that the hire car she was provided with was smaller than her own car. However Mrs N's insurance policy documents with Tesco stated:

"To keep you mobile, within the geographical limit only, we will offer you a small courtesy car (typically a small city car), while the car is being repaired by one of our approved repairers following an insured incident that has resulted in a claim under your policy."

Mrs N's policy schedule shows that she didn't have upgraded courtesy car cover, so I don't think Tesco did anything wrong by not providing Mrs N with a larger hire car.

My final decision

For the reasons given above I uphold Mrs N's complaint. I require Tesco Underwriting Limited to pay Mrs N £312.05 for the parts for her car which she has paid for, plus interest at 8% simple from the date Mrs N paid for them to the date it reimburses her. I require Tesco Underwriting Limited to pay Mrs N for the replacement under bumper cover if she provides proof of payment such as an invoice, plus interest at 8% simple from the date Mrs N paid for the part to the date it reimburses her. I also require Tesco Underwriting Limited to pay Mrs N £500 compensation for the distress and inconvenience it has caused her. If Tesco Underwriting Limited has already paid Mrs N the £250 compensation it offered her, then it only needs to pay her the balance of £250.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs N to accept or reject my decision before 28 February 2025.

Sarah Baalham
Ombudsman