

The complaint

Mr A complains about how First Central Insurance Management Limited trading as First Central ("First Central") handled a claim under his car insurance policy.

What happened

Mr A had a car insurance policy with First Central.

On 12 December 2023 Mr A was involved in a collision with a third party. He contacted First Central and made a claim for the damage to one side of his car, but it was dark and he said he wasn't sure if there was more damage.

On the following day, he discovered some more damage and he told First Central about this.

He also said he'd been injured in the collision and First Central passed him to one of its panel of solicitors to help him make a claim.

First Central appointed one of its repairers to fix Mr A's car. It thought the third party was likely at fault and contacted the company named as the vehicle's third-party insurer ("A").

Mr A's car was assessed by First Central's approved repairer and taken in for repairs. There was a problem when he tried to collect the car, because the repairer hadn't fixed the additional damage he'd told First Central about. First Central then authorised this and it was fixed. He was supplied with a courtesy car for about 25 days in total.

In January 2024 First Central was told by A that it wasn't the correct insurer at the time of the collision, and that First Direct should contact another company "D" which was apparently the insurer of the vehicle's driver, rather than the vehicle itself. But A didn't give any other information to First Central.

I'll explain that the third-party vehicle was rented at the time of the collision and apparently being driven under the cover of its driver, rather than of the car.

Mr A's car was fixed and returned to him. First Central was struggling to contact B due to the lack of information it had. It re-contacted A, but only got a generic response.

Mr A complained as he wasn't happy about how his claim was being handled. First Central agreed it hadn't chased up the third-party insurers quickly enough. It offered Mr A £125 compensation in June 2024. Mr A denied he'd received this offer.

As he remained unhappy, Mr A brought his complaint to this service. He complains that he should have had his £200 excess refunded as he wasn't at fault for the collision. He's also complained about a lack of assistance making a claim for his injury, and he's made further comments about the delays during his claim.

First Central then offered him a further £150 compensation for the problems he'd had. It also said the third-party insurer's responses had been slow.

Our investigator looked into his complaint and thought that the total compensation of £275 was appropriate. Mr A didn't agree with the view and later said he thought compensation of £1,500 would be what he'd expect.

Because Mr A didn't agree with the view, his complaint has been passed to me to make a decision.

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.

From the file, I can see Mr A feels very passionately about the service he's had during his claim. He's raised a series of issues to First Central and this service, and it's important I start by clarifying what I'm able to consider in this decision. The view considers Mr A's complaints until the date of the first final response letter from First Central, on 15 April 2024. But I can see Mr A's complaint was re-opened shortly afterwards, and it issued its second final response on 8 June. This second final response said it would pay him £125 compensation for the delays dealing with A and D. So I think it's fair I deal with matters until 8 June, and I can see First Central accepted this.

I can see from the file that Mr A has told this service that he continues to suffer distress and inconvenience. If he wishes, he can make a further complaint to First Central about this. And if he remains unhappy, he can approach this service in due course after First Central has issued him with its final response.

I'll also mention he's complained the quality of the service he received from a legal company he was passed to by First Central. That company doesn't fall into the jurisdiction of this service, and he should read the documentation he was (presumably) sent by the legal company to explore his rights of complaint against it.

While I'm upholding his complaint, I think the overall amount of compensation offered by First Central is fair and in line with this service's guidelines. I appreciate Mr A's strength of feelings about this and I'll explain my reasoning.

I can see from the file that Mr A's complaint to First Central seems to focus on his belief that his claim should have been closed off within weeks of the collision. Unfortunately for him, the insurance held by the third party complicated this greatly. I can hear from his original call to First Central that Mr A was very clear about the third party's situation with regards to their insurance arrangements.

I've looked at a timeline of what happened to the repairs to his car. What I'm able to say is that First Central seems to have dealt with his claim for the damage to his car slowly, even accepting his claim was being made over the festive season.

In the early part of his claim, Mr A intimated it and provided photos within about a week, but then needed to resend them because they weren't of good enough quality, which took him a further 12 days or so.

It then took until the end of January 2024 for his car repairs to be authorised, parts ordered, taken for repair and returned to him around 15 February, so around two months from the date of the collision.

I can also see that Mr A needed some more work done by the repairer, which he said he'd told First Central about on the day after the collision, which then took about two more weeks

to fix.

First Central said Mr A had a courtesy car from its repairer for most of February.

During this time, Mr A had asked First Central about the third-party's insurance. He'd chased it up repeatedly, and I can see that First Central had contacted A monthly but gained no useful information beyond the name of D.

I've thought carefully about the length of time First Central took to carry out its claims work. Firstly, given the relatively minor damage, I think two months seems slightly too long to process the claim and get repairs carried out. Although I appreciate Mr A's car was driveable during this time, so I think it's fair I say he wasn't greatly inconvenienced. But I can see that he was chasing First Central for updates.

I agree that First Central wasn't doing enough to progress the claim against the third party and was seemingly content to chase A monthly. Only Mr A's involvement meant it actively chased up the two third party companies.

So, with a month's wait for A to reply in the first instance, it took a further month for First Central to chase A again. Then a further month for A to reply. This process seems to have gone on well into the summer of 2024, but as I've said above I can only consider this matter until 8 June 2024.

That said, A wasn't being useful as it simply wasn't supplying First Central with any of the information it needed. So although I agree First Central's service wasn't very good, I can't say it's responsible for A's poor responses as A seems to have almost 'washed its hands' of the claim.

I can also see Mr A was confused by the way First Central dealt with his complaint. First Central said it offered Mr A £125 compensation in June 2024, and then added a further £150 when it reached this service. Although Mr A denied knowing about the £125 offer, I've mentioned above that it was sent to him on 8 June by email.

Mr A has also asked that he's refunded his excess of £200. He's said that if his claim was sorted out faster then he wouldn't have had to pay it.

I'll explain that an excess is part of the contract with an insurance company where Mr A has agreed he'll pay for the first part of a claim. What this means is he's not necessarily entitled to get that excess back until First Central fully recovers its outlay from a third party.

I've listened to the first call he made to First Central, and this process is explained to him well, but I'm also mindful Mr A was calling shortly after the collision when he was presumably slightly shaken.

In that first call I can hear Mr A's concern about the third-party driver's situation from an insurance point of view. So I don't agree with him that this was a simple claim which may have been resolved by the time he needed to pay his excess. And, although I don't think First Central acted pro-actively to chase up the third party, I don't ultimately think this led to additional inconvenience for him apart from the calls he felt he needed to make. I do appreciate it caused him additional distress, but as I say I think he was reasonably told about the situation with the excess recovery at an early stage.

I can also see in its later communication with this service that First Central has said the third-party insurer (presumably D) has accepted liability, although it is disputing the repairs.

Mr A has also talked about further losses he's had, which he says were caused by First Central's inaction. He says he intended to sell his car around the time of the collision, but the delays caused during the repair process meant that he lost a further £1,500 when he sold it. I asked Mr A for more information. He said he was looking at the value of his car on websites around the time, but didn't have evidence. I've thought about this point and because there's no evidence Mr A was actually selling his car, I can't fairly say First Central are responsible for a theoretical drop in value.

Mr A also said he'd been affected by First Central's actions and it hadn't made reasonable adjustments for his condition. I asked First Central about this and it said it had no record of being told about Mr A's condition. I asked Mr A about whether he'd told First Central about it, and he said he believed he did, but didn't have access to his emails. As there's nothing to show me that Mr A made First Central aware of his needs, I can't uphold this part of his complaint.

Taking everything into account, I don't think First Central's service has been good during Mr A's claim. I can see it's caused a few delays in his repairs, and it's been slow to follow up with the third-party insurers, only being prompted to attempt contact when Mr A asked it about the claim progress.

But I don't reasonably think its actions were the only factors in delaying the settlement of his claim. The poor responses from A and then D caused much of the delay in my view, and I think it's fair I say Mr A wasn't inconvenienced greatly as his car was driveable and he was given a courtesy car.

I can see Mr A was distressed by First Central's claims handling and communication though, and I've thought about this and considered this service's guidelines on compensation. The amount offered by First Central is £275 to the date of its second final response in June 2024 and I think this is fair.

My final decision

It's my final decision that I uphold this complaint. I direct First Central Insurance Management Limited trading as First Central to pay Mr A £275 compensation for his distress and inconvenience. If amounts have already been paid then they can be deducted.

First Central Insurance Management Limited trading as First Central must pay the amount within 28 days of the date on which we tell it Mr A accepts my final decision. If it pays later than this, it must also pay interest on the amount from the date of my final decision to the date of payment at 8% a year simple.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr A to accept or reject my decision before 17 April 2025.

Richard Sowden
Ombudsman