

The complaint

Mrs B has complained about the repair of her car under the Motability scheme following an accident which was undertaken by U K Insurance Limited trading as Direct Line (UKI) being her motor insurers under the scheme.

What happened

Mrs B was involved in an accident on 24 June 2024. Her car provided by the Motability scheme was damaged and was taken to UKI's approved repairers on 28 June 2024.

It was returned on 25 July 2024. Some repairs weren't done properly, and Mrs B complained of a toxic smell in the car which made her feel ill. The car then went back to the repairers. There were issues with the hire car but that wasn't supplied by UKI, so it doesn't concern this complaint.

The car was returned again on 30 August, when Mrs B wasn't there, with the keys put in her letterbox. Again, there were issues with the car and Mrs B complained about this toxic smell. The car was taken away again to a main dealer and the entity who transported it noted the toxic smell and the report dated 14 October 2024 confirmed the smell and thought it could possibly be battery acid.

However, the main dealer fixed the faults but couldn't smell this toxic smell.

In the end the Motability scheme provided Mrs B with a new car.

Mrs B complained about the standard of repairs and said this toxic smell had made her ill. She then brought her complaint to this service.

UKI then made a proactive offer of £500 compensation to Mrs B, which she refused. Consequently, the investigator was of the view that the £500 from UKI was sufficient for the faulty repairs and the distress and inconvenience Mrs B suffered.

Mrs B disagreed, so her 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.

Having done so, I'm agreeing with the investigator that UKI's offer of compensation in the sum of £500 is fair and reasonable.

I do understand and appreciate Mrs B will be very disappointed with my decision. So, I'll now explain why.

First however, I can't deal with any of the issues over the hire car as that wasn't supplied to Mrs B by UKI. I do note however, any money the car hire company took from Mrs B's bank account was refunded.

Secondly, I have no authority or remit to ask UKI to provide any assurances as to its system of repairing cars for future customers. This service is merely a dispute resolution service concerning an individual's complaint against a regulated financial service provider. I can't get involved with UKI's internal systems about how it goes about repairing cars or which repairers it wants to use, as that's a matter for it along with its commercial discretion and indeed the regulator. The regulator is the Financial Conduct Authority and it's the entity which provides and polices the regulations under which insurers such as UKI operate. Therefore, I won't be discussing this aspect of Mrs B's complaint.

Thirdly, we are an evidenced based service, so we merely assess the evidence produced by both parties. This is quite important given the extent of Mrs B's complaint.

Both Mrs B and UKI have given me extensive submissions. However, given the informal nature of this service I won't comment on every point raised, although I've read all of the information that Mrs B and UKI have sent in. No discourtesy is meant by this at all. Consequently, I shall merely consider the issues which I consider are key under the following headings:

Toxic smell in the car following the repairs by the approved repairer

Mrs B said she first encountered this on the return of her car from the approved repairers in July and then again in August and later in October. I acknowledge Mrs B said this made her ill and I can see that she accessed medical advice for this. And I can see the entity charged with taking her car back to the approved repairers or to the main manufacturer in October 2024 also noted the smell in the car.

However, the cause of this toxic smell has not been found. It was suggested it might be battery acid. It appeared to be very intermittent. It certainly wasn't there all the time. I've seen no evidence that anyone else suffered any ongoing medical issues from it.

Furthermore, and more importantly, I've seen no expert medical evidence correlating Mrs B's health issues which she said was caused by this to whatever toxins emitted the smell in Mrs B's car. The GP and NHS app evidence Mrs B has disclosed merely shows she sought medical advice at those times. It doesn't diagnose any medical condition and it doesn't link any such condition back to the repairs done by UKI repairers. It also doesn't identify the toxin and it doesn't link that toxin to any medical condition Mrs B was suffering at that time. The most the medical notes say is that Mrs B had a reaction to an unknown substance.

I don't doubt Mrs B was very distressed by the smell and I don't doubt it caused her significant upset. However, in order to show that the smell from the car was the fault of UKI's approved repairers, one would have to show that whatever they used to repair the car involved this unknown toxin. The only thing the approved repairer used which could give off any smell would have been the paint. But this is done in a regulated fashion so that neither the paint sprayer nor anyone else suffered from the paint fumes. So, I don't consider this was at all likely to have caused the toxic smell Mrs B complained of.

So, without this depth of evidence concerning the identity of the toxic smell and relating that to anything UKI's approved repairers did in repairing her car, there isn't anything to show me what UKI's approved repairers have done wrong in this regard.

Further as the car itself was supplied by Motability and they took back the car and provided Mrs B with another car, that means that neither UKI or its approved repairers can now investigate this matter further, and neither can any experts on their behalf or indeed on Mrs B's behalf.

So, the most I can conclude is that this experience of the smell caused Mrs B distress and upset. But I'm not sure what caused the smell or why or indeed that UKI's approved repairers actually caused it to occur.

Accident- related car repairs

There is no dispute that Mrs B's car wasn't repaired properly initially by UKI's approved repairers leaving aside the toxic smell issues. So, when it was delivered back to Mrs B on 25 July there were still matters outstanding.

UKI said that on 29 July 2024 Mrs B said she didn't want to deal directly with the approved repairers anymore. Motability's partner who deals with transporting the scheme's cars when necessary for these sorts of matters said it wouldn't recover Mrs B's car at that time as they had assessed it and deemed there was nothing wrong with it.

This meant that the only way to inspect the car was to get UKI's approved repairers to inspect the car at Mrs B's home. However, Mrs B wouldn't talk to them when they arrived on 2 August 2024. So UKI finally arranged to pick the car up on 8 August. The further repair issues were then sorted out.

However, there were further issues in returning Mrs B's car back to her which ended up being done in her absence with the keys being put through her letterbox on 30 August. Mrs B had been told it would be delivered on 16 August but never received her car or indeed any explanation as to why not.

However, there were still further issues namely that the key fob wasn't working, it needed a new battery. The braking system was in fact working properly, and the airbags were fitted correctly and properly primed. The four wheels were realigned which sorted out the steering wheel issue. This was done at the main dealer. And some scratches were polished out. UKI acknowledged that poor repairs were completed by its approved repairers. It also acknowledged its service to Mrs B was poor at times to include not communicating over the supposed return of her car on 16 August.

I consider it was reasonable that UKI acknowledged its failings here. Its communications were poor, and it didn't coordinate matters sufficiently, putting Mrs B to further trouble and upset. So, I consider it's reasonable that UKI should pay Mrs B some compensation.

Compensation

This can be a very emotive issue mainly because the stress and upset of being involved in an accident can be very significant. So, everything to do with the aftermath of dealing with the accident can also feel grossly upsetting.

I don't have any evidence to show me why Mrs B didn't want to talk to the approving garage anymore. However, I do think UKI tried to be the appropriate liaison consequently but as I've acknowledged above, it does admit its service to Mrs B could have been better.

I've no authority to fine or punish UKI at all. I can merely compensate Mrs B for the trouble and upset that was caused.

I can't really ask UKI to compensate Mrs B for the toxic smell as there is so little evidence to show it was caused by anything the approved repairers actually did. It could even be from

some manufacturing issue, but the main dealer couldn't find anything either. So, although it was very unpleasant for Mrs B, without further evidence of what caused it, it's neither fair nor reasonable to make UKI responsible for it. I can see Motability changed the car for Mrs B which was no doubt the best option given the lack of evidence on whatever caused the smell in the car to occur.

Therefore, I consider the £500 offered by UKI for the other issues concerning the car not being repaired properly, the manner in which it was returned on 30 August, the lack of communication on 16 August and the number of phone calls Mrs B had to make, to be both fair and indeed substantial.

Our stance on compensation is more fully detailed on our website. An award of £500 is in the bracket where the impact of the mistake caused considerable distress and upset. To include worry, inconvenience and disruption that needed a lot of extra effort to sort out and typically lasts over many weeks or months, where it has a serious short-term impact. Consequently, I consider this £500 compensation covers the level of upset and distress that Mrs B endured from July 2024 to October 2024.

My final decision

So, for these reasons, it my final decision that I uphold this complaint for compensation only.

I now require U K Insurance Limited trading as Direct Line to pay Mrs B the sum of £500 compensation.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms B to accept or reject my decision before 9 April 2025.

Rona Doyle
Ombudsman