

The complaint

Ms A complains about how U K Insurance Limited (UKI) handled a claim under her motor insurance policy, following an accident.

References to UKI in this decision include their agents.

This decision covers Ms A's complaint brought to this Service in November 2024. UKI had previously issued final responses to Ms A's complaints made to them in April 2024 and May 2024. Ms A brought her complaint to this Service more than six months after the April 2024 final response, which means they couldn't be considered by this Service. Ms A has rejected this, so a separate ombudsman decision covers whether this Service could consider the issues covered in UKI's first final response.

However, the issues covered in UKI's second final response, issued in May 2024, fall within the six month timeframe within which they can be considered by this Service. This decision therefore covers those issues. Reference to the issues covered in UKI's first final response are included to provide background and context for what happened in this case.

What happened

In October 2023 Ms A's vehicle was hit by a third party vehicle, damaging a wing mirror. The third party vehicle didn't stop. Ms A contacted UKI to tell them about the incident and lodge a claim. UKI appointed an approved repairer (DLG) to repair the damage and Ms A was provided with a courtesy car.

However, there were problems repairing the mirror, which took just under a fortnight, and DLG put in place a temporary mirror while waiting for an original replacement. Ms A wasn't happy with the length of time she then had to wait for the replacement (four months) nor with the quality of the repair work and the cost. Ms A also had problems with the courtesy car, which DLG came out to inspect and remedy.

So, Ms A complained to UKI in February 2024. She also wanted them to cancel the claim, so her premiums wouldn't be affected, given they couldn't repair her vehicle back to its original condition. She was also unhappy at the renewal premium she had received for his policy, which UKI told her was in part because of the claim she'd made. She'd also had her No Claims Discount (NCD) reduced.

Following his complaint, Ms A was involved in another accident which led to her vehicle being deemed a total loss.

In their final response, issued in April 2024, UKI upheld the complaint. They noted Ms A's vehicle hadn't been repaired correctly and the correct parts hadn't been used. DLG had confirmed the correct mirror glass was on back order and were awaiting delivery. They would also look at the other damage Ms A remained unhappy with and rectify it, at the same time they would fit the door mirror. UKI also acknowledged the issues with the courtesy car. UKI apologised for what happened, awarding £200 compensation.

UKI issued a further final response in May 2024, covering Ms A's request to cancel the claim and for her premiums to be unaffected. UKI didn't uphold the complaint. They said they couldn't cancel the claim. UKI noted Ms A's vehicle had been involved in a subsequent accident, leading to it being declared a total loss. While the vehicle had now been written off, UKI said they couldn't cancel the previous claim as Ms A had still been involved in an accident and they had to keep a record of the incident as they had paid for the repairs carried out to the vehicle and DLG was awaiting parts to complete the repairs at the time of the subsequent accident and the vehicle being written off.

Ms A then complained to this Service. She was unhappy at the repairs to her vehicle, saying it shouldn't have cost more than £1,600 to repair the wing mirror on a vehicle of her type and age. This left her with a claims history, the loss of her No Claims Discount (NCD) as well as the poor service she'd received, and the time taken to carry out repairs.

Our investigator didn't uphold the complaint, concluding UKI didn't need to take any action. She noted Ms A hadn't brought their complaint to this Service within six months of UKI's first final response issued in April 2023, so this Service couldn't consider the issues covered in that final response. But we could consider the issues dealt with in UKI's second final response issued in May 2024.

DLG wasn't able to source the correct replacement mirror glass and there were problems with the supplier providing the incorrect replacement glass and then unable to source the correct part. The investigator couldn't hold UKI responsible for delays caused by the supplier being unable to source the correct replacement mirror glass. The correct part was awaited at the time Ms A's vehicle was involved in another accident and deemed a total loss. The investigator concluded UKI had acted reasonably. On the increase in premiums, UKI was entitled to set premiums based on their assessment of risk. UKI had also acted reasonably in recording the original incident as a claim, as they'd incurred costs in repairing the vehicle and the accident had occurred.

Ms A disagreed with the investigator's view and asked that an ombudsman consider the complaint. She said the repair quality was poor and DLG should have ensured they had everything they needed to complete the repairs before taking in the vehicle. They could have replaced the whole mirror unit rather than just the broken parts, making it difficult to source the correct parts. So, she was left waiting for many months. She wanted a refund of some of the repair costs as compensation for the poor service she'd received and the time she'd waited for repairs to be completed. There was also the issues with the courtesy car.

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.

My role here is to decide whether UKI have acted fairly towards Ms A.

As set out above, this decision only covers those issues covered in UKI's second final response issued in May 2024. Those issues were, firstly, their recording of the claim arising from the first incident in October 2023. Ms A says the claim shouldn't be recorded as DLG hadn't been able to repair his vehicle back to the standard it was before the accident. UKI say they are obliged to record the claim as the incident occurred and they've incurred repair costs to the vehicle, up until the time it was subsequently involved in a second accident and declared a total loss.

The second issue is the increase in Ms A's premiums as (in part) a result of the first accident.

On the first issue, I've considered the views of both Ms A and of UKI, together with the relevant evidence and information. Ms A says that the claim shouldn't be recorded as the repairs carried out to her vehicle weren't satisfactory or complete at the point her vehicle was involved in the second accident.

I've considered the issue carefully, but I've concluded it was fair and reasonable for UKI to continue to record the claim. It's not in dispute there was an accident leading to damage to Ms A's vehicle, which UKI accepted and appointed DLG to repair. However it's also clear there were issues both with the quality of the repairs and the fact that DLG weren't able to source the correct replacement part (mirror glass) to enable the repairs to be completed to the appropriate standard. And that there was a considerable delay in DKG being able to source the correct part, albeit it appears to be due to issues with their supplier. While I appreciate Ms A's frustration at both the quality of repairs and the delays completing the repairs, I can't hold UKI directly responsible for those and I note they'd accepted DLG would complete the repairs (including any rectification work) when the part was available.

Coming back to the recording of the claim, while I understand Ms A being unhappy a claim is recorded and that her vehicle wasn't fully repaired at the point of the second accident and the vehicle being declared a total loss, it doesn't change the fact that there was an accident in October 2023 which led to damage to her vehicle which UKI appointed DLG to repair. That there was a subsequent accident doesn't change the fact of the first accident, nor that UKI incurred repair costs – albeit incomplete – from the initial repairs carried out by DLG.

So, I've concluded it's fair and reasonable for UKI to record the incident and that a claim was made. While not an issue in this complaint, they would also need to record details of the claim, including the question of liability and whether they deemed it to be a fault claim or a non-fault claim (the latter would be recorded if UKI were able to recover all of their outlay on the claim).

Moving onto the issue of the impact of the claim on Ms A's premiums, again I can understand her concern that having the claim recorded is likely to affect her premiums in the future. But as I've concluded it is fair and reasonable that UKI record the claim, then it's likely the claim will have an impact on Ms A's future premiums.

The extent to which there is an impact would depend on UKI's (or any other insurer's) assessment of the claim has on their view of the risk presented by Ms A. The claims history of a consumer is one factor that insurers consider when reaching decisions on whether to offer cover, and the terms under which they are willing to offer that cover. That's a commercial decision for UKI, or any other future insurer. The same would be true of the second accident and the subsequent total loss of Ms A's vehicle. As a commercial decision for UKI or any other insurer, it's not something on which I can direct UKI, so I can't conclude that's unfair or unreasonable.

My final decision

For the reasons set out above, it's my final decision not to uphold Ms A's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms A to accept or reject my decision before 10 July 2025.

Paul King
Ombudsman