DRN-5662977

The complaint

Mr S has complained about his car insurer, Tesco Underwriting Limited. He feels its garage delayed repairs and that it was unfair for him to have to use a small courtesy car. He also thinks the garage damaged his car.

What happened

Mr S's car was stolen in April 2024. It was later recovered, with Tesco moving it to its authorised repair garage (AR) in June 2024. The car was considered repairable and parts were ordered, a small courtesy car was provided to Mr S while repairs were ongoing. The estimated completion date (ECD) for repairs, however, kept getting pushed back. The car was returned to Mr S in November 2024.

Tesco responded to Mr S on complaints he'd raised about the courtesy car (the one provided was not big enough as Mr S's car, being repaired, is a large seven seat model) and delay by, as well as lack of communication from, the AR when repairing the car. Tesco said the courtesy car Mr S had been provided with was in line with the policy terms. It said the delay had been beyond its AR's control as it had been awaiting parts, but its communication could have been better. For which it apologised.

Mr S said the car had been returned in a poor state. He made a further complaint to Tesco. He also referred his complaints to the Financial Ombudsman Service.

Our Investigator said we could look at what had happened, regarding delay, lack of communication and the issue about the courtesy car, until 6 December 2024 – the date Tesco had issued its last final response letter to Mr S's complaints. He said we couldn't look at the concerns Mr S had about the repairs themselves, as those issues had been raised after Tesco's December 2024 final response letter.

Regarding the courtesy car – our Investigator was satisfied that Tesco had provided a car in line with the policy terms. Turning to delay and lack of communication, he noted that the AR had been waiting on parts. But he felt it could have communicated better with Mr S. He said it should pay £100 compensation.

Tesco said it accepted the findings. Mr S said he was disappointed in them. He spoke about the state the car was returned to him in and that he feels he has lost the value of the car. He said it wasn't an issue of parts which delayed the repair, it was the AR. He said he needs £50,000 compensation for more than a year of delay – the pain to his family and the damage to his car should not be ignored.

The complaint was referred for an Ombudsman's 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.

I appreciate that this situation has been difficult for Mr S and his family. I understand he waited a long time for his car to be repaired, so I can understand his dissatisfaction when the car was returned to him in what he considered to be a less than satisfactory condition. However, when Mr S brought his complaint to this Service, Tesco hadn't had chance to consider the latest concerns he'd raised about the condition of the car upon its return. So, under this reference number, I can only consider the parts of Mr S's complaint Tesco had already replied to. If Tesco has still not provided a final response letter on the issue of the condition of the car or, if it has and Mr S is unhappy with its content, he can let our Investigator know and we can set up a new complaint to deal with that issue.

I'll now turn to the issues I can consider. They are the courtesy car and the delay/lack of communication by the AR.

I understand that the courtesy car Tesco provided did not meet the needs of Mr S and his family. I know this was particularly difficult when extended family were due to come for a visit in summer 2024. I also appreciate the continued use of the less than ideal courtesy car became more frustrating the longer the repairs were delayed. However, under the policy, Tesco will provide a small courtesy car while a car is being repaired, subject to availability. And Mr S was provided with a small courtesy car in line with the policy terms. I'm satisfied Tesco acted fairly in the circumstances here.

Turning to delay and lack of communication, I've reviewed Tesco's file to see what was happening during the course of the claim. I can see it was June 2024 before the AR had the car with it for assessment of repairs. I can also see that parts were ordered and some came in in July 2024. Seemingly the AR began work on the car whilst other parts were waited for, with some parts, such as the wing mirror unit and door handles having to come directly from the manufacturer. It was, unfortunately, late October/early November 2024 before all outstanding parts were received, the repairs were completed and the car returned to Mr S by around mid-November 2024. It is unfortunate that it took so long for the repair of the car to be completed such that the AR was satisfied it could return the car to Mr S. However, as Tesco has explained, the motor industry is seeing significant delays on parts. I'm satisfied the AR/Tesco did not cause avoidable claim delays.

The AR though did not communicate well with Mr S or even Tesco. I can see that Mr S was often chasing Tesco for an update, or to complain that the ECD had been pushed back again, because the AR wasn't responding to him. I can see Tesco was faced with the same issue. That is clearly not good enough and I think Mr S should receive compensation. However, I'm mindful that, with the delivery of parts outstanding, any update the AR could have provided would likely have seemed unsatisfactory to Mr S and updating him wouldn't have changed the fact the repair of his car was outstanding. I'm satisfied that £100 compensation for the frustration caused by a lack of communication, along with Tesco's apology offered in its final response letter, is fair and reasonable redress. I'll require Tesco to pay this sum.

My final decision

I uphold this complaint. I require Tesco Underwriting Limited to pay Mr S £100 compensation for upset he was caused by the lack of communication.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr S to accept or reject my decision before 5 August 2025.

Fiona Robinson
Ombudsman