

The complaint

Mr & Mrs S complain that Tesco Underwriting Limited (“Tesco”) didn’t pay them enough for their car when it was damaged in a collision, and then forwarded their claim call to a third-party accident management company without their permission.

What happened

Mr & Mrs S had a motor insurance policy with Tesco covering their car.

In November 2024 they were involved in a collision with a third-party vehicle, causing damage to their car.

They called Tesco’s claims line at 1955 hrs to report it and make a claim. They say their call ended up with a different company I’ll refer to as A, which asked for their policy details and information about the collision. A is an accident management company.

Some weeks later, Tesco was contacted by A, and in turn it contacted Mr & Mrs S to ask them what had happened in the collision. Mr & Mrs S responded to say they’d already told Tesco the information it was asking for. Tesco denied they’d discussed the situation.

Mr & Mrs S complained to Tesco saying it had forwarded their call without permission. Tesco didn’t uphold their complaint. It had no record Mr & Mrs S had called it on the day in question. It said a one minute unanswered call wouldn’t have cleared its inbound call system, so there would be no trace.

They made a further complaint about value they’d received for their car, which had been written off in the collision. Tesco said it would pay £50 compensation for a delay responding to a dispute over the car’s valuation.

They brought their complaint to this service. They ask that Tesco accepts it forwarded their call to A, it apologises for the distress and anxiety caused by its denials, pay compensation for the time taken by Mr & Mrs S to demonstrate Tesco was at fault, evidence its internal investigation and remedies, and confirm it has referred itself for auditing and the actions taken.

Our investigator looked into their complaints and thought they wouldn’t be upheld. He thought the compensation Tesco paid was fair.

Mr & Mrs S didn’t agree with the view, and asked that their complaint was referred to an ombudsman, so it’s been passed to me to make a final 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 need to start by saying that, for ease, I’ve divided Mr & Mrs S’s complaint into two parts and I’ll deal with each part separately. Having read the file of evidence I’ve been provided, I’m

not upholding their complaint and I'll explain why.

I'll also say that I've not commented on every piece of evidence on file, but I'd like to assure Mr & Mrs S that I have read the entire file. No disrespect is intended by this approach, which is in line with this service's informal approach.

Car valuation

It's not this service's role to determine the value of a specific vehicle. What I'm able to do is examine the evidence and look at whether Tesco's valuation was fair, reasonable and in line with the policy terms.

The approach of this service is to use trade guides to arrive at a valuation for the car. I've looked into four of these trade guides and I can see the following values for the same make, model and specification of car:

Trade Guide A £8,145

Trade Guide B £8,150

Trade Guide C £8,626

Trade Guide D £8,979

I can see from the file that Tesco valued Mr & Mrs S's car at £9,633.80.

It's the approach of this service that the highest value from the trade guides is used as the market value for Mr & Mrs S's claim. If either party doesn't agree with that valuation, then it needs to provide evidence why.

Tesco's valuation is higher than the highest trade guide valuation. It also provided supporting evidence in the form of adverts to illustrate its findings, and confirmed it had used those adverts to arrive at a valuation because the trade guide values weren't high enough.

Mr & Mrs S also didn't agree that the figure was high enough. They said they'd recently had work done, including a service, nearly new front pads and discs, aircon regas, refurbished wheels, some work on the front suspension and most of a tank of fuel. They said the valuation should be £11,300. They provided an advert for a car showing a higher value, but that was for a newer car.

While the work recently paid for by Mr & Mrs S was expensive, much of the work relates to the cost of keeping a car on the road. As such I'm not going to take them into account when thinking about whether Tesco acted fairly and reasonably. What I would say is that if the servicing hadn't been done, or the wheels weren't pristine, then factors like that would come into play and mean that Tesco could reduce its valuation accordingly.

Because Tesco has offered a valuation in excess of the highest trade guide, based on cars in the marketplace, and I've seen no evidence to show it's wrong, I think Tesco's valuation is fair and reasonable and I'm not going to ask it to increase the amount.

I've also looked at the delay caused by Tesco in handling the dispute over this valuation, and I think its offer of £50 is fair. I can see there was a short delay in dealing with the query, which Tesco was responsible for, but any claim brings with it some disruption from everyday life and I'm not persuaded that the compensation should be increased as it's in line with this service's guidelines.

The claims call and “A”

Mr & Mrs S have described at length their disappointment and concern about how their call ended up with A. They've talked about the implications of recent IT scandals and the lack of concern they say Tesco showed towards them.

I can see from the file that Mr & Mrs S are adamant they made one phonecall to Tesco's claims line on the evening of 11 November 2024. They say this call ended up at A, and it must have been forwarded or diverted by Tesco's phone system. They further say that the person they spoke with knew Mr & Mrs S were Tesco customers, which they say means the person must have been working on Tesco's behalf.

Mr & Mrs S demand this is investigated properly as there are data protection implications.

I've said above that Tesco searched its database (and checked with its suppliers) and couldn't identify a call from Mr & Mrs S on the date in question. It said it couldn't forward or redirect calls as alleged by Mr & Mrs S and it had no affiliation with A.

Mr & Mrs S provided a screenshot of their phone's records from the period in question. The screen shows they made two outgoing phonecalls around the time they said they made one. The first was to Tesco's claims number, and lasted about one minute (this was the call that wasn't answered and so isn't on Tesco's records).

The second was made shortly after. It was made to a different number, which is geographically unbound (i.e., it's an 03xx number, as is Tesco's).

It's Mr & Mrs S's contention that Tesco somehow forwarded their call to this second number. But, having looked at their phone's record, the phone clearly shows Mr & Mrs S made two phonecalls, the first to Tesco, the second to A.

Tesco contacted A, and that company confirmed Mr & Mrs S called it.

Mr & Mrs S have emphatically rejected this. They contend that Tesco must have forwarded their call, that Tesco was aware of who A was, and that when A answered the person knew they were Tesco customers.

But I don't agree. I think the evidence from their phone, and from A via Tesco, shows Mr & Mrs S tried to call Tesco, then seemingly abandoned their call and tried a different number. If I may, I'll also say that several companies have paid-for search results meaning that if a customer searches online for something like "Tesco claims number" then the first results that appear may not necessarily be for Tesco.

Those numbers typically lead to other companies who may say they work for or on behalf of an insurer, but are actually targeting people making claims in order to represent them against the company. I think it's fair I say that it's possible Mr & Mrs S fell into this system, and the number they used to call may also have identified them as Tesco customers.

But even if they didn't, I don't think their suggestions that Tesco is colluding with A, or that a rogue person within Tesco somehow hijacked the phone system, are fair.

This is an evidence-based service, and the evidence I have shows me that I don't think Tesco acted unfairly here.

Mr & Mrs S also asked Tesco to remove their personal data from A. I can see that Tesco asked A about this, but as the companies are not connected, Mr & Mrs S should take their

concerns directly to A.

Finally, if Mr & Mrs A are unhappy with A's actions, they should make a complaint to it.

My final decision

It's my final decision that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr S and Mrs S to accept or reject my decision before 29 October 2025.

Richard Sowden
Ombudsman