

The complaint

Ms E and Mr E complain about the repairs First Central Underwriting Limited (First Central) carried out on their car following a claim on their motor insurance policy.

The complaint has been bought by both Ms E and Mr E, but because Ms E is the policyholder and for ease of reading, I've referred to her throughout the body of this decision.

What happened

Ms E's car was involved in an accident in early August 2024 when the named driver on the policy was driving it. She said he swerved to avoid a third party, came off the road and came to a stop in a ditch. Ms E made a claim for the damage she thought the accident had caused to her car. First Central accepted the claim and arranged for the car to be repaired at an approved repairer (AR).

When Ms E's car was returned, she said she noticed there was an oil leak and contacted First Central. She says the car was returned to the AR the next day, but the AR refused to carry out the repairs to the differential and coolant tank, insisting they were not accident related and declined to diagnose the oil leak altogether.

First Central says it told Ms E in late September 2024 that it didn't think the damage to the differential and the coolant tank was incident related and declined to carry out the repairs at the time. Ms E says within a few hours of having the car returned to her from the AR, the untreated oil leak caused catastrophic engine failure. Ms E says she arranged for recovery to a repairer and paid around £3,500 for the repairs which included a thermostat housing for the coolant leak.

Ms E raised a complaint about the way the repairs to her vehicle had been handled and provided a report from her garage, a video and an invoice from the repairer that had carried out the work. First Central said, it wouldn't meet Ms E's claim for the repairs she had paid out for, it said it was old, pre-existing damage and wasn't related to the incident.

Ms E bought her complaint to us. Our investigator reviewed Ms E's evidence but didn't recommend First Central carry out any further repairs to her car. He wasn't persuaded the reports showed the damage had been caused by the accident.

Ms E disagreed and in July 2025 provided a further report from her garage, a copy of the pre-sale advert from where she'd bought the car, and an email from the repairer confirming it had mis-diagnosed the damage on the oil cooler. It said the tank had split and the damage wasn't due to a damaged screw. The investigator forwarded the evidence to First Central for it to consider.

First Central maintained its decision to reject the claim was correct, it wasn't satisfied that the damage Ms E claimed for was caused by the accident. Our investigator reviewed everything again but didn't uphold the complaint, he wasn't persuaded the damage had been caused by the accident.

Ms E didn't agree and so the 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 not going to uphold this complaint. I'll explain why.

Firstly, I acknowledge I've summarised Ms E's complaint in less detail than she's set out. Ms E has raised several reasons why she's unhappy with the way First Central has handled this matter. I've not commented on each and every point she's raised. Instead, I've focused on what I consider to be the key points I need to think about. I don't mean any discourtesy when doing this, it simply reflects the informal nature of this Service.

Ms E believes the damage to her car was related to the accident and thinks her evidence is substantially more accurate and comprehensive than First Central's. She says the oil leak from the oil cooler was completely missed and not investigated and says this increased the repair bill.

Key to this complaint is whether First Central carried out a reasonable repair to the accident-related damage as part of the claim in the first instance. Ms E says it didn't because she has had to pay for further repairs to her car. First Central says this extra damage isn't related to the claim and so, it isn't its responsibility to carry out the repairs to it.

Ms E's car was involved in an accident on the front and side of the car. First Central carried out various repairs. Ms E says as soon as she received the car back, she noticed an oil leak that she says wasn't there before the accident. The claims notes say First Central told Ms E the repairer had found an oil leak during the repairs. It said it thought the leak was old and wasn't related to the accident.

When Ms E contacted First Central after having her car returned, it agreed for the car to be re-inspected by the AR. One of First Central's senior engineers reviewed the evidence and maintained the photographs showed the differential had been leaking for a while and the thermostat housing had a damaged screw, indicating a previous repair attempt may have been made. It said there were no impact marks and concluded the leaks weren't related to the claim.

So First Central didn't agree to pay for further repairs. I think at this stage First Central had acted reasonably in having Ms E's car re-inspected – and it was fair to rely on the opinion of its senior engineer.

If Ms E thinks the accident caused the leak, it's for her to show that's more likely than not to have been the case. I can see why First Central doesn't think she's done so. Ms E says there was no leak before the accident and has provided an advert to show her car was in pristine condition. I appreciate this provides a description of her car before the sale, but I think this was only the opinion of the seller and not an independent expert and the condition of her car may have changed during the time. So I'm not satisfied that this is sufficiently strong evidence to show the damage didn't exist before the accident and was instead caused by it.

I have looked at the report from Ms E's own garage. The report said:

“The oil cooler and pipes were likely damaged in the accident, which led to the breakdown”.

Following the investigator’s view, Ms E obtained a further report in July 2025 from the same garage, after she had sold her car. This report said the purpose of the report was:

“To provide additional context on how off-road use can contribute to such damage and clarifies how the severity of the original impact affected multiple components”.

This report concluded:

“The nature and location of the damage are consistent with severe underbody and suspension stress resulting from such off-road use. Driving over uneven surfaces, deep potholes and loose debris places extreme load on components like the oil cooler, pipework, suspension springs, shock absorbers and drivetrain. In this case, it is my professional opinion that the impact forces sustained while the vehicle was driven off-road led directly to these failures. Therefore, the vehicle’s mechanical condition is a direct consequence of the accident, which involved off-road driving through potholes and debris”.

Ms E’s garage said in the report that the damage was ‘likely’ to have been caused in the accident. The further report doesn’t specifically confirm how the damage was impact related.

Ms E also provided a second independent report dated 29 July 2025, to confirm the accuracy of the original findings.

I can understand why First Central didn’t change its decision. I don’t think the garage’s explanation and second independent report supported the damage having been caused by the accident. The reports do suggest damage could be caused by driving off road, and that the accident involved driving off road. But the reports don’t deal with First Central’s engineer’s thoughts that the damage was pre-existing and caused before the accident.

Ms E has also provided a copy of the manufacturer’s garage repair invoice and video of the health check it carried out. I have carefully considered this evidence. The repair invoice noted the repairer:

“Carried out investigation on large amount of oil leak. Removed front bumper. Confirmed oil cooler pipe has corroded as made a hole. New oil cooler pipes and cooler needed as pipes corroded”.

From this explanation, it seems the leak was caused by corrosion. Corrosion is something that happens slowly over a period of time, before the accident, not something that would have happened due to an impact on the car. As such, I can’t find that First Central was wrong not to accept this damage relating to the oil leak as part of the claim.

In addition, having looked at the repairer’s evidence, there is no statement which supports the repairs completed for the other items were *only* in need of repair due to the car being involved in the accident. So, the repair invoice doesn’t persuade me that First Central should have included these additional items Ms E has claimed for in its repair.

I have also thought about Ms E’s comments that First Central caused a catastrophic failure to her car. Having looked at the claim notes and Ms E’s comments, I can see First Central had told Ms E about the leak during the repairs at the end of September 2024, at the time of taking her car back for the second time. So she was aware of the leak at that point and drove it knowing there was a leak. So even if I were to say First Central didn’t do enough

(which I don't), I'm not satisfied it would be responsible for further damage caused by driving with an oil leak.

I understand Ms E will be very disappointed with my decision and believes the problems all stem from the accident, but I'm not persuaded there is sufficient evidence to support that. I find on balance First Central's evidence to be stronger here. So I think First Central's decision to reject her claim was reasonable and I'm not going to require it to reimburse Ms E as she requested or take any further action in relation to this complaint.

My final decision

For the reasons given above, I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms E to accept or reject my decision before 11 February 2026.

Lorraine Ball
Ombudsman