

The complaint

Mr A complains about how UK Insurance Limited (UKI) handled a claim made on his motor insurance policy.

What happened

Mr A's car was damaged in an incident and UKI took it for repairs. But the car had to be returned for rectification three times. Mr A remains unhappy with the repairs. UKI said it offered Mr A the option to have his car repaired at his choice of garage, which he denies, and it offered him a total of £400 compensation for the trouble and upset caused. But Mr A was unhappy with this, with the communication from UKI, and that he had been called a liar.

Our Investigator recommended that the complaint should be upheld in part. He thought UKI had reasonably offered Mr A the option of having repairs done at an independent garage of his choice after it had approved its inspection report. But he thought UKI should increase its offer of compensation to £600 to reflect the trouble caused to Mr A by the incomplete repairs and the lack of updates. He didn't see evidence that UKI had called Mr A a liar and he thought there may have been miscommunication that led to Mr A feeling this.

UKI replied that it had also provided Mr A with a MOT, valet, and new battery. But it agreed with the Investigator's view. But Mr A said the compensation offered wasn't sufficient for the trouble and upset caused by UKI's handling of his claim. As Mr A didn't agree, his complaint has come to me for 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 can understand that Mr A feels frustrated with how UKI has dealt with his claim. I can see that his car has had to be returned for rectification work when the repairs should have been completed when the garage first made them. And from what I can see, they are still to be completed to Mr A's satisfaction.

UKI has a responsibility to deal with claims promptly and fairly, and I think it accepts that this hasn't been the case with Mr A's claim. When an insurer makes an error, as I'm satisfied UKI has done here, we expect it to restore the consumer's position as far as it's possible to do so, and we expect it to compensate the consumer for the impact of the error.

Mr A wants his car to be fully repaired. I can understand that Mr A is reluctant to take his car back to UKI's repairer. And I think UKI has reasonably offered that he can take it to a garage of his choice for an inspection and if it's found that further claim-related repairs are needed, then it will reimburse him for these repairs. I think UKI is only required to make claim-related repairs, and so I think this is a reasonable option. So I think that's a fair and reasonable way of restoring Mr A's position.

UKI agrees that the repeated rectification caused Mr A undue stress and upset. I can see that Mr A was in contact with the garage, with UKI's claims team and its complaints team when this shouldn't have been needed.

Mr A thought he had been caused stress for over five months. But I think UKI made its offer for him to use his own choice of repairer two months after the accident. So I think Mr A could have taken up this option then. But I agree that this has caused Mr A inconvenience when UKI should have carried out the repairs effectively in the first instance.

Mr A was kept mobile whilst his car was being repaired. But he had to take his car back to the garage and arrange for an engineer to inspect the car at his home. I think this also caused Mr A inconvenience.

Mr A said UKI had lied to him. From what I can understand this took place in a phone call with UKI. Whilst I have no reason to doubt Mr A, I've considered the relevant calls, and I haven't heard that UKI accused Mr A of lying.

I think there may have been misunderstanding about next steps after Mr A met with UKI's engineer. He then expected a call from UKI. But instead, he had a call from the repairer to book in his car for further rectification when he hadn't agreed to this. There was also confusion about whether an email had been received. But I haven't any evidence to show that UKI accused Mr A of lying or being dishonest.

Nonetheless, UKI has agreed that it provided Mr A with a poor customer journey. It said it had carried out an MOT, fitted a new battery and valeted his car. But I think these were needed due to the poor repairs, and so I haven't taken them into account when I've considered how UKI should put things right for Mr A.

UKI has agreed to pay Mr A a total of £600 compensation for the impact of its errors. Our published guidance states that we'd think an award like this:

“...might be fair where the impact of a mistake has caused considerable distress, upset and worry – and/or significant inconvenience and disruption that needs a lot of extra effort to sort out. Typically, the impact lasts over many weeks or months...”

And I think this award is in keeping with our published guidance for the stress, upset and inconvenience caused to Mr A over several months. And so I think it's fair and reasonable and I don't require UKI to increase this.

Putting things right

I require UK insurance Limited to do the following, as it's already agreed to do:

1. Reimburse Mr A for the costs of claim-related repairs after Mr A arranges for an independent garage to inspect his car and provides the report to UKI.
2. Pay Mr A £600 in total (£200 further) for the distress and inconvenience caused by its handling of his claim.

My final decision

For the reasons given above, my final decision is that I uphold this complaint in part. I require UK Insurance Limited to carry out the redress set out above, as it's already agreed to do.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr A to accept or reject my decision before 22 December 2025.

Phillip Berechree
Ombudsman