

The complaint

Mr F is unhappy with the way U K Insurance Limited (UKI) has handled the repairs of his vehicle following a claim on a motor insurance policy.

What happened

The circumstances of this case are well known to each party, but in summary, Mr F was involved in an incident in November 2024 and so raised a claim under his motor policy, underwritten by UKI. Mr F has explained that when he received his vehicle back, he was unhappy to find a number of issues with his vehicle that occurred while in UKI's care. UKI agreed for its authorised repairer to rectify the work. However, following the additional work, there was still outstanding damage to Mr F's vehicle.

Mr F complained on different occasions to UKI about the quality of repairs carried out. UKI upheld the complaints as it agreed the repair works weren't to the standard it expected and so awarded Mr F £500 in total to recognise the service failings.

Unhappy with the response, Mr F referred his complaint to this Service. Upon notification of the referral, UKI explained that it wanted to proactively settle the complaint and so offered to pay the cost of an outstanding issue with the window not sitting correctly on one of the doors, but Mr F would need to either supply a VAT registered invoice, or settle the cost directly with the repairer and UKI would reimburse him. UKI also offered to pay Mr F a further £150. Mr F didn't agree to the offer and so our Investigator considered the case.

Our Investigator upheld the complaint in part and said that if Mr F could provide an updated invoice for the outstanding work, UKI should either pay the cost to Mr F or arrange for Mr F's appointed repairer to invoice it directly. They also said that if any further work was required to realign the window after this then UKI should cover the cost of this. But our Investigator concluded that the total compensation of £650 was reasonable in the circumstances.

Mr F agreed with the Investigator, however UKI didn't agree in full. They maintained that as Mr F's appointed repairer wasn't VAT registered, Mr F would need to settle the invoice and it would look to reimburse him.

As the matter remains unresolved, the case 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.

I recognise my summary of Mr F's complaint is in less detail than that presented. But I'd like to assure both parties that I've carefully considered all submissions made. My decision won't comment on each point raised, or each piece of evidence provided, but will instead comment on the issues I consider to be key to the complaint. This isn't intended as a discourtesy but reflects the informal nature of this Service – and the rules this Service are expected to adhere to enable me to do this.

Having considered everything, I am upholding the complaint. I'll explain why.

Insurance claims are rarely straight forward, but relevant regulatory rules say that firms must handle claims promptly, and fairly.

As the claim has been accepted, I won't comment on its overall validity. But the terms say that in the event Mr F's vehicle is damaged, UKI has the right to either pay to repair the vehicle or repair it itself.

It is accepted by both parties that the repair attempts completed by UKI's agents were not done to a reasonable standard. And UKI accepts that the outstanding issue with the door of Mr F's vehicle is one it will look to rectify.

Mr F has said that he isn't prepared to let UKI's authorised repairer rectify the work given the poor repairs it has already completed and given the service he received when trying to get his vehicle back to its pre-accident state. Given the experience Mr F has had, I don't find it unreasonable that he now wishes for the rectification works to be completed by a garage of his choice.

Mr F has provided a quotation from his chosen garage to have the outstanding issue investigated and enable it to complete a full quotation. UKI has confirmed that it agrees to cover the amount, however Mr F will need to cover this initially and UKI would look to reimburse him as the quotation provided isn't VAT registered. But, Mr F isn't prepared to do this, given the experience to date.

As UKI has no objections to the amount quoted, I agree with our Investigator that UKI should now look to pay this amount directly to Mr F so that he can arrange for the further work to be quoted to avoid any further delay or inconvenience. UKI should then look to liaise with Mr F's chosen repairer to complete the remaining works. UKI can then request any further work be invoiced alongside the relevant VAT information it needs from the repairer directly.

UKI has paid Mr F £500 to date in recognition of its poor service. And it has offered to increase this to £650 in total. Having considered the circumstances of this case in full, I find this to be a reasonable level of compensation to reflect the ongoing service Mr F has experienced. There is no exact science to awards for distress and inconvenience, but I recognise Mr F has been significantly impacted due to UKI's handling of his claim and the associated repair works, as well as the overall significant length of time for things to be rectified. So, I think £650 is reasonable and proportionate in the circumstances. It follows that I won't be directing UKI to make any further awards beyond this.

My final decision

My final decision is that I uphold this complaint and direct U K Insurance Limited to –

- Pay Mr F £110 to enable him to instruct his chosen repairer.
- Liaise with Mr F's chosen repairer directly to rectify the outstanding problem with Mr F's door.
- Pay £650 in recognition of the trouble and upset caused – less any awards it has made to date.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr F to accept or reject my decision before 16 January 2026.

Oliver Collins
Ombudsman