

The complaint

Ms N complains First Central Underwriting Limited (“First Central”) failed to inspect and repair her car fully following a claim on her motor insurance policy. She says First Central has caused delays, left her car unsecure and caused her severe distress and inconvenience by not treating her fairly. Ms N thinks First Central should have declared her car a total loss.

All references to First Central include its agents.

What happened

Ms N took out a motor insurance policy in April 2024. Around June 2024, her car was involved in an incident involving a third-party driver who collided with her open door. First Central accepted Ms N’s claim and her car was sent for repairs at a repairer she chose.

Following the repair to Ms N’s door, she told First Central there were scratches and dents as a result of the incident which she hadn’t noticed previously. So it agreed to inspect the car. Before it was able to do so, Ms N’s car broke down and it was recovered to a different repairer by a breakdown recovery service.

First Central initially agreed to carry out all incident related repairs at a garage of Ms N’s choice. It also agreed to cover the cost of a hire car until the repairs were completed. But it didn’t agree to cover any damage it thought was connected to a previous claim she’d made which wasn’t covered, or the cost of mechanical repairs which it said caused the breakdown. First Central offered Ms N £400 as compensation for the service she’d received as it thought it had given her confusing information about what was covered.

Ms N raised other issues with the condition of her car, for example, she didn’t think it had been resprayed correctly and she said there was an issue with her window motor. So she didn’t think First Central was covering all incident related repairs. She also thought the car had been damaged while being stored and transported. First Central said it wasn’t responsible for any issues Ms N had while the car was at the repairer as it was one of the breakdown recovery service’s approved repairers and not its own.

In August 2024, Ms N’s car was transferred to one of First Central’s approved repairers (“F”) at Ms N’s request to inspect the car and carry out repairs. Both parties disagree about whether an appropriate inspection was carried out and whether it was repaired here. First Central later transferred Ms N’s car to a storage facility as it thought there was no further work outstanding and Ms N didn’t agree to it returning the car to her. And in October 2024, First Central ended Ms N’s car hire agreement.

As Ms N didn’t agree all incident related repairs had been completed, First Central said it would arrange an independent inspection of the car at Ms N’s property. But Ms N didn’t agree to the car being returned to her so the inspection hasn’t taken place. Ms N thinks the car should be declared a total loss and she’s pointed to an internal email provided by First Central which she thinks supports this but First Central doesn’t agree.

Our Investigator looked into the complaint. She thought First Central had handled things fairly so she didn't think it needed to do anything more. As the complaint hasn't been resolved it was passed to me to decide. I issued a provisional decision in November 2025 of which a copy is below:

"Ms N has spent a great deal of time collating and providing information to support her complaint and I can see that it's been very important to her for a long time. I've summarised this complaint using my own words. I'm not going to respond to every single point made, no discourtesy is intended by this. Instead, I've focussed on what I think are the key issues. Our rules allow me to do this and it reflects the informal nature of our service.

I've also considered what's happened past First Central's Final Response Letter although that doesn't mean I've considered later complaints raised. I've done so to ensure I reach a fair and relevant outcome as the circumstances of what's happened have changed over time. Having done so, I don't intend to uphold this complaint. I know Ms N will be very disappointed but I think it's the fair outcome in this case. I'll explain why.

Inspection and outstanding damage

Ms N thinks there's damage to her car which was caused during the incident with the third-party and while the car was being stored or transferred between repairers. She's listed a number of issues she says were missed or weren't repaired fully as she says First Central didn't appropriately inspect the car before or after the repairs. And she's provided photos of her car with markers which she says F added to show outstanding incident related damage.

First Central doesn't agree there are incident related repairs outstanding as it thinks they were addressed by F around 3 September 2024. It also says it's not responsible for any damage caused by the breakdown service's repairer or while the car was in storage after Ms N declined to take it back which I currently accept. And it says there's no evidence of damage caused by it transferring the car.

Based on everything I've seen so far, I can understand why Ms N is concerned the information First Central has given about the repairs on 3 September 2024 is inaccurate as she's provided an email from F confirming it hadn't carried out any repairs to her car. But First Central insists that's wrong. I also note First Central disagrees that the markers applied to Ms N's car all highlight incident related damage. And considering some of the damage highlighted, I am currently persuaded by what it's said. So at the moment, it's unclear to me whether there is further damage that needs repairing or not.

First Central has offered to carry out a further, independent inspection once the car is returned to Ms N's house. This is to identify any further work which is outstanding from the incident or from when First Central transferred Ms N's car. And I currently think that's fair. I know Ms N is worried about having her car returned to her property if it has outstanding repairs but at the moment, I'm satisfied this is the best way forward. Without it, I don't think there's enough evidence to show First Central hasn't met its obligation under the policy terms and I think it's reasonable for it to request more evidence.

Hire car return

Ms N was asked to return her hire car in October 2024. I can see she was unhappy with this as she doesn't feel she was given enough notice to arrange another vehicle and she thinks she was entitled to an ongoing hire car until her car is returned fully repaired. I've looked at the policy terms which relate to hire car cover. These say First Central will provide an alternative car for the time the policyholder's car is being repaired by an approved repairer. Ms N's car isn't currently being repaired and I'm not satisfied there's enough evidence to show it requires further repair. So I don't think Ms N is entitled to a hire car under the terms of the policy or that First Central unfairly ended the car hire.

Total loss

Ms N would like her car to be declared a total loss by First Central. She's highlighted an email she received as part of a subject access request she says confirms her car should've been deemed a total loss but wasn't. So she thinks First Central has treated her unfairly.

I've looked at the email Ms N has referred to. This was sent to First Central by one of its agents who mentioned the car being deemed a total loss. First Central has told our Service it didn't make that decision and I'm not persuaded this email shows it did. I'd note, First Central didn't communicate to Ms N at any point that it was writing off her car so I don't think it's given her incorrect information here.

Insurers can choose whether to write off a vehicle or not depending on how much the estimated repair costs are compared to the market value of the car. I've not seen anything to make me think First Central's decision not to write off the car was unreasonable.

First Central has already offered to put things right by paying Ms N £400 compensation and arranging an independent inspection of her car once it is returned to her. And I think that's fair in all of the circumstances. So I intend to direct First Central to pay Ms N the £400 it's offered her if it hasn't done so already; arrange the independent inspection of Ms N's car once it's returned to her property; and carry out any repairs which the engineer finds to be outstanding from the insured event or caused by First Central during the transfer or storage of the car."

I asked both parties to make any further comments for me to consider before the deadline set. First Central said it agreed with my provisional decision and it had nothing further to add. Ms N explained her current circumstances and asked for us to provide some of the information which was relied on and an extension to the deadline set. But no further comments were made by the agreed extended deadline.

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've reconsidered the complaint and thought about what has been said by the parties since I issued my provisional decision in November 2025. And having done so, I see no reason to change the outcome reached. So I don't uphold this complaint or direct First Central to do anything more than it's already offered.

My final decision

First Central Underwriting Limited has offered to pay Ms N £400 and to arrange an independent inspection of her car once it's returned to her and I think this offer is fair.

So, my decision is First Central Underwriting Limited should pay Ms N the £400 it's already offered and arrange the independent inspection of her car once it's returned to her property, if it hasn't done so already. And it should carry out any repairs which the engineer finds to be outstanding from the insured event or caused by First Central Underwriting Limited during the transfer or storage of the car.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms N to accept or reject my decision before 2 January 2026.

Nadya Neve
Ombudsman