

The complaint

Mrs M has complained about First Central Underwriting Limited's service in connection with a claim she made on her motor insurance policy. In particular she is unhappy that First Central caused delays, did not deem her car to be a total loss; did not compensate her for the decrease in value of her car, and failed to arrange adequate repairs.

What happened

Mrs M was in an accident that wasn't her fault. She initially contacted an accident management company (AMC)¹. But later she asked First Central to progress her claim. Mrs M told First Central that she thought her car should be a total loss. She asked First Central to arrange for a specific manufacturer's authorised repairer to complete the repairs.

After considering a damage estimate First Central found that the car was repairable. Mrs M remained unhappy about that as she thought First Central should deem her car a total loss. Her chosen repairer carried out the repairs. Mrs M didn't initially want to take her car back and she said she didn't think the repairs were up to standard. However, First Central told her that she would be liable for the repairer's storage costs if she didn't collect the car.

Mrs M complained about First Central's service and the repairs. She believed the car wasn't safe to drive. She brought her complaint to the Financial Ombudsman Service. One of our Investigators looked into the matter. The Investigator didn't think First Central needed to take any further action. Mrs M didn't agree so her complaint's been passed to me to determine.

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.

In bringing this complaint, and in responding to our Investigator's assessment of it Mrs M has made many detailed points. I've considered everything she's said and all the supporting materials she's referred to. However, our rules don't require me to address or respond to each and every point raised. We're an alternative to the court not a substitute for it. As such my role is to decide how a complaint should be resolved with minimal formality. And I aim to present my conclusions in as clear and concise a manner as I can. In doing so I'll focus on the key issues and the reasons that are crucial to my decision making.

Also, since First Central issued final response letters to Mrs M concerns in September 2025 she has continued to raise further points of complaint. But, in line with our usual process, I do not intend to address any new points raised after First Central issued its responses to Mrs M's concerns. Instead I will only address what I see as being the key points that First Central had previously covered in its final response letters to Mrs M's complaint.

¹ AMC's are not insurers they will progress non-fault motor claims, arranging repairs and providing hire cars. But they do not do so through a motor insurance policy. Instead they reclaim their outlay from the insurer of the at fault driver.

First Central's decision to repair the car

Mrs M's policy allows First Central to decide how to deal with claims as it sees fit. That's an extremely common term in motor insurance policies and I don't find it unreasonable. Although I'd still expect First Central to apply the term fairly.

It's common for insurers like First Central to apply a ceiling figure, usually a percentage of the car's full value, over which it would not authorise repairs and instead deem a car uneconomical to repair – a total loss. In this case, based on the initial estimates it received, First Central considered that the car would be repairable. I've seen those estimates and I note that the projected cost of repairs was far below the point at which most insurers would likely consider the car to be uneconomical to repair.

I wouldn't expect an insurer like First Central to deem a car a total loss where it believed it could repair the car safely and economically. And that was clearly the case here. So I don't think First Central did anything wrong in deciding to repair the car.

Mrs M's said that her car would lose value as a result of being repaired. But, regardless of whether or not that is correct, Mrs M's policy does not cover "loss of value after repair." So this is not something that First Central needed to have regard to, nor compensate Mrs M for, once it decided the car was repairable.

Quality of repairs

Mrs M remains unhappy with the standard of the completed repairs. However, it's notable that she did not use one of First Central's approved repairers. Instead she asked First Central to move the car to a manufacturer authorised garage of her choice. This is significant as, had Mrs M chosen one of First Central's approved repairers then it would guarantee the repair work for five years. But, as she chose not to use one of First Central's approved repairers, her policy makes clear that it would not guarantee the quality of the repairs. So, in essence, First Central is not responsible for the quality of the work Mrs M's chosen repairer carried out.

At the point that First Central responded to Mrs M about the quality of repairs, her concerns were very specific that the steering wheel alignment and tyre geometry were not right. But only days earlier Mrs M's car had been put through an MOT that did not find any failures nor advisories. And the repairer produced a geometry report that showed the correct wheel alignment. So, I think the evidence before First Central at the point Mrs M complained was that the car had been repaired to a reasonable standard and was perfectly safe to return to her. I think that was a fair conclusion in the circumstances.

I'm also aware that Mrs M feels the mileage on her car increased more than could be expected for a repair of this nature. I note that First Central has addressed this issue pointing out that the car's mileage had only increased by one mile before being driven to the MOT test centre (which was some distance away). I think that was a reasonable response in the circumstances, especially considering that First Central is not responsible for the non-approved repairer's actions.

Mrs M has continued to raise complaints about the quality of repairs and First Central's actions. For example, amongst other things, she's complained about mixed tyre brands, scratches and the driver's side door not being aligned. But those are not points which First Central had the opportunity to address in its responses to her complaint. So I don't intend to make findings on those issues here.

I'm also aware that First Central told Mrs M she needed to collect her car from the repairer and that it wouldn't authorise any further work. It seems that First Central issued this communication after it sent Mrs M its most recent final complaint response on 30 September 2025. So Mrs M's concerns about the content of its letter advising her to collect her car is not a matter that it has addressed in its complaint response. But my understanding is that it responded in the terms it did in direct response to Mrs M's additional

concerns about the wheel alignment and geometry. And, again, given that the car had recently passed an MOT it clearly didn't think that further work was required. However, if Mrs M feels that this communication was inappropriate or didn't directly address her concerns, that's something she'll need to take up with First Central.

Further, as I've said above, First Central is not responsible for the actions of the non-approved repairer. And while First Central was within its rights to say that it wouldn't pay the non-approved repairer for any additional work, if Mrs M wished to complain direct to the repairer then – as far as I'm aware – there was nothing preventing her from doing so.

Similarly, I know Mrs M decided to put the car through a further MOT test in December 2025. It failed that test because of an issue with the tyre pressure monitoring system. I note that when Mrs M raised this issue with First Central it directed her back to this Service. However, this was not a point of complaint First Central had addressed head on. So I can only fairly address it in terms of the issues that First Central responded to on 30 September 2025. And I wouldn't consider that an MOT fail, some three months after the repairs were completed and after the car had travelled a further 1,700 miles or so to be attributable to the issues First Central addressed in its 30 September 2025 complaint response.

Additionally, I've seen no evidence that First Central was aware of any issues with the car at the time which would deem it unsafe to return to her.

The evidence I've seen is that the car passed an MOT in September 2025 without issues or advisories shortly before the car was returned to Mrs M. So, I don't think it would be fair to attribute any ongoing issues Mrs M has with the quality of repairs to First Central's actions - especially, again, as it did not guarantee the work of the non-approved repairer.

Mrs M has also commented that as her car is not currently MOTd she's been unable to have it independently inspected. However, I note the repairer returned the car to her around three months before it failed its MOT. And she could have had the car inspected at that time if she'd chosen to do so. So I don't think it would be fair to blame First Central because Mrs M has not had her car independently inspected.

Delays

Mrs M complained that First Central initially delayed in sorting the matter out and providing a hire car. As I've said above Mrs M initially approached an AMC rather than claiming directly from First Central. The AMC provided a hire car. After she claimed from First Central it asked her for confirmation from the AMC that it had ceased to act for her before it would take up the matter. I don't think there was anything wrong with that. As it wouldn't be reasonable to expect two unrelated firms to process the same claim. But that process did create a short delay.

After Mrs M told First Central she wanted to use her chosen garage it told her it wouldn't be able to provide her with a courtesy car. Mrs M said she was happy with that as she had alternative insurance that would cover it. However, I've seen that First Central did eventually refer Mrs M to a hire car company to provide a hire car. The hire car company told Mrs M, after the repairs were completed on 29 September 2025, that it would need its hire car back. That was not First Central's decision but the hire car company's. But it might help if I explain that it's common in such circumstances for hire cars only to be provided while repairs are ongoing. So, I don't think First Central did anything wrong in letting the hire car company know that the repairs were complete.

My final decision

For the reasons set out above I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs M to accept or reject my decision before 10 February 2026.

Joe Scott
Ombudsman