

## **The complaint**

Mrs B complains First Central Underwriting Limited (First Central) caused delays after she made a claim on her motor insurance policy.

First Central are the underwriters of this policy i.e. the insurer. Part of this complaint concerns the actions of the intermediary. As First Central have accepted it is accountable for the actions of the intermediary, in my decision, any reference First Central includes the actions of the intermediary.

There are several parties and representatives of First Central involved throughout the complaint but for the purposes of this complaint I'm only going to refer to First Central.

## **What happened**

Mrs B made a claim on her motor insurance policy when her car was stolen from outside her house in August 2024. The car was recovered but it had been crashed and was damaged.

A hire car was provided to Mrs B for 29 days.

First Central conducted validation checks on the claim. This included interviewing Mrs B and because there was an active police investigation ongoing regarding the theft, it required the police report to complete its validation checks.

Mrs B said there had been delays in First Central settling her claim and during this time she was without a car, of which she needed due to her family situation. She said she'd had to hire a car to get her to a holiday. And she was still paying a monthly finance payment for the car. She said she would like compensation for the delay and reimbursement for the travel expenses incurred whilst waiting for the settlement of her claim.

First Central said it hadn't made any errors and Mrs B's claim couldn't progress without the relevant appointments taking place and the police report. The report was received in July 2025, at which point it made a total loss settlement offer to her.

Because Mrs B was not happy with First Central, she brought the complaint to our service.

Our investigator upheld the complaint. They looked into the case and said the timeframe in settling the claim was outside of what they would expect to see and they would've expected First Central to provide a courtesy car longer than 30 days, They said First Central should pay £626.78 compensation for the stress and inconvenience experienced through the claim journey and this included the cost of the rental car.

As First Central is unhappy with our investigator's view the complaint has been brought to me for a final decision to be made.

## ***What I provisionally said***

*The circumstances of the theft are in early August 2024 the car keys were stolen from inside Mrs B's house and her car taken. The car was found damaged the week later and it was taken to First Central's approved salvage agent. An individual known to the named driver was arrested for the theft, and police and prosecution proceedings were started.*

*When First Central received Mrs B's claim it started its claim validation process within a week. As part of its validation checks it needed to speak to both her and the named driver, who was her husband, to obtain a statement about the theft incident. Mrs B said it wasn't possible to speak to the named driver due to ongoing health issues. First Central advised it would leave some time for him to recover and organise to speak with him at a later date. I saw First Central asked Mrs B if she could send a copy of the statement he had emailed to the police because this may help speed the validation process up, however she was unable to locate it.*

*First Central said by November 2024 it became apparent the named driver was not going to be well enough to provide a statement. It therefore asked Mrs B to take part in a face to face interview. It provided her with a number of dates for this to take place. Due to Mrs B having work and other commitments the interview didn't take place until 20 January 2025.*

*I saw evidence of First Central actively chasing the required evidence from the police. It contacted the police to request a copy of the police report and the statements provided to the police by Mrs B and the named driver at the end of August 2024, and were told by the police that there was no report available at that date. It requested the report again at the end of September 2024 and the police said they were unable to provide it. At the end of October 2024 the police said a court date had been booked for March 2025 and they would be unable to provide anything until after this had taken place.*

*Due to the circumstances of the theft of the car, I think it was reasonable that First Central required the details of the police investigations to conclude its claim validation process.*

*Mrs B said she was left without transport whilst the claim validation process took place, and had to use taxis and public transport. She also hired a car at her own cost to go on holiday. I saw the stolen car didn't have a valid MOT at the time it was stolen which means Mrs B didn't have access to drive her car at the time it was stolen and as such was already without her car when it was stolen.*

*I looked at the terms of the policy and it says;*

*"7.4 Courtesy car*

*What is not covered*

*• A courtesy car will not be provided if your car has been stolen, is a total loss, falls under the new-car replacement scheme or if you choose a repairer not on the insurer's approval panel."*

*This means Mrs B wasn't entitled to a courtesy car under the terms of her policy. However, I saw as part of her policy she had added an optional extra of hire car. I looked at the hire car product information document and it says;*

*"Car hire cover provides the benefit of a hire car, in the event of the insured vehicle being declared a total loss or stolen and not recovered as detailed in your policy wording.*

*What is insured*

*• Up to 28 days of continuous car hire within the territorial limits following an insured incident during the period of insurance".*

*In this case Mrs B was provided with a hire car for 29 days which is just over the maximum days allowed. I am unable to tell it to provide a car for longer than is stated in the policy.*

*I also considered Mrs B said she was still paying a monthly finance payment for the car whilst waiting for her claim to progress. Any finance arrangement is between Mrs B and the finance provider. It is separate to the motor insurance cover provided and I cannot tell First Central to contribute towards any finance costs.*

*The police provided the reports it required in mid-July 2025. I saw there were no delays after receiving this because it made a total loss settlement offer to Mrs B on 25 July 2025.*

*I understand it took almost a year to conclude the validation of this claim and make a settlement offer to Mrs B. I recognise her family circumstances meant that having access to a car was important and I am very sorry she was without access to a car for all this time. However, I cannot fairly hold First Central responsible for the time taken to conclude its validation checks in the circumstances of this claim.*

*Therefore, although I understand Mrs B will be disappointed and I recognise the claim took a long time to be validated and settled, I don't intend to uphold her complaint and don't intend for First Central to do anything further in this case.*

### **Responses to my provisional decision**

First Central did not make a response.

Mrs B responded and said;

- Her stolen car was found on the same day not a week later
- Although her car didn't have an MOT, it was scheduled for a service. She was prepared to be without a car for that period of time, but not for the time it took for her claim to progress. She said the only way to take her daughter on holiday in May 2025 was by renting a car which incurred her additional costs.
- Was I saying her husband's health issues caused a claim delay of three months.

### **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 response to Mrs B's comments**

- I accept Mrs B's clarification that the car was found the same day of the theft and not after one week as I said in my provisional decision. The change in the date the car was found does not affect my review of this case or my decision.
- I recognise that being without a car for an unknown and lengthy period of time will have been very difficult and stressful for Mrs B. And I know her family situation meant she needed a car to get them to their holiday destination, but I am unable to hold First Central responsible for the time taken to validate the claim for the reasons I have given.
- I have not held her husband's health issues responsible for any delay. The delay in this case was the time taken for the police to provide the required information on the incident.

I understand Mrs B will be very disappointed, and recognise she was the victim of a crime which will have caused a lot of stress. However, based on the evidence I've reviewed, I maintain my provisional decision and don't uphold her complaint, and don't require First Central to do anything further in this case.

**My final decision**

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

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs B to accept or reject my decision before 8 January 2026.

Sally-Ann Harding  
**Ombudsman**