

The complaint

Mrs B and Mr B complain about Allianz Insurance Plc's ("Allianz") handling of their claim under their car insurance.

What happened

Mrs B and Mr B notified Allianz of a claim following an accident. They say they sent photos of the damage and Allianz then approved the claim and referred it to their repairers. Mrs B and Mr B say, despite numerous chasers to Allianz and the repairers, no action was taken to repair their car. They say their car is old, so availability of parts is limited. Mr B says he therefore gave the repairer details of where they could source the parts but still no action was taken despite Allianz instructing the repairer to order the parts. Mr B says given the delays, he decided to source the parts and carried out the repairs himself. Mr B says he paid for the parts out of his own pocket and it took him around 16 hours to deal with this.

Mrs B and Mr B complained and Allianz accepted that over a month went by with little progress on repairing the car. And, once Mr B arranged the repairs privately, it took a further two months for him to be reimbursed. Allianz accepted, during this time it wasn't easy to get hold of them and Mr B had to wait on hold for extended periods of time. Allianz apologised and offered £250 compensation which they'd arranged to be sent by bank transfer.

Our investigator looked into things for Mrs B and Mr B. He agreed Allianz had made errors and recommended they pay an additional £200 to what they'd already offered – bringing the total to £450. Allianz haven't responded so the matter has come to me for a 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.

Having done so, I've decided to uphold the complaint. And, I think the investigator's recommendation here is a fair way to resolve matters.

I think it's important to stress I've made my decision based on the information I have. I can see our investigator has provided Allianz with details of the complaint being made against them and allowed them a number of opportunities to provide information. It's important that we get an account from all parties in order to consider the complaint fully. In this case, while Allianz haven't provided any information to our service, I'm satisfied we've taken sufficient steps, and given sufficient time, to enable them to respond.

I must be fair to both parties and don't feel it's reasonable, in this case, for Mrs B and Mr B to have to continue waiting for an answer to their complaint.

Firstly, I've looked at the service given to Mrs B and Mr B. The key facts about the complaint aren't in dispute. Allianz have admitted they got things wrong by carrying out no action in relation to the repairs and Mr B having to wait on hold for extended periods. The only issue I have to decide is whether Allianz's offer to put things right is fair and reasonable.

I think it's right that Allianz should compensate Mrs B and Mr B for the trouble and inconvenience caused by their poor service. There's a number of factors here that I've taken into consideration when deciding what I think is a fair and reasonable level of compensation. I'll start by saying that I can understand why Mrs B and Mr B are upset at the delays. An insurer is required to handle a claim fairly and promptly – and that hasn't happened here. This has led to Mr B sourcing the parts himself and carrying out repairs. Given the facts in this case, I don't think it was unreasonable for Mr B to take this step on the basis there appeared to be a disagreement between Allianz and their repairer around ordering the parts. So, there's been significant trouble and inconvenience to Mr B in having to effectively take on the role of the repairer here – something which should've been carried out by Allianz under the terms of Mrs B and Mr B's policy. Mr B says it took 16 hours of his own time to resolve the issues, this includes ordering parts and carrying out repairs. There is also the inconvenience to Mrs B and Mr B not being able to use their car during the period of delay caused by Allianz in carrying out the repairs. I can understand this was frustrating for Mrs B and Mr B and this was exacerbated by having to remain on hold for extended periods when calling Allianz.

Taking this all into account, I don't think Allianz's offer of £250 goes far enough to reflect the impact on Mrs B and Mr B. And, I think £450 compensation would be fair and reasonable in the circumstances of this case. I acknowledge Mr B feels Allianz should pay him for his time in carrying out the repairs and £1,000 would be reasonable for the trouble and inconvenience caused. I am sorry to disappoint Mr B but, while I fully agree further compensation should be paid, I don't think a payment for his time or £1,000 would be fair and reasonable here. Allianz say they won't make specific payment for the time taken by Mr B to repair his car as this isn't a cost that he has incurred and it doesn't have a tangible value as it's not Mr B's line of work. I agree with Allianz's view here as there wasn't a specified cost incurred by Mr B in the same way that he incurred a cost for sourcing the parts. That said, I have factored in the trouble and inconvenience to Mr B in carrying out the repairs when considering the overall impact. In relation to Mr B's view on compensation, while I can see the issues continued for a few months, I can't say there's any ongoing impact to Mrs B and Mr B or any serious consequences which would justify an award of £1,000.

Putting things right

I've taken the view that Allianz have caused delays in dealing with the claim and Mr B has also had to spend extended periods on hold when calling them. So, Allianz should pay a total of £450 compensation to Mrs B and Mr B. It's not clear whether Mrs B and Mr B have received the £250 already offered by Allianz. If they have, then Allianz should pay a further £200 to bring the total up to £450. If they haven't, then Allianz should pay £450 to Mrs B and Mr B.

My final decision

My final decision is that I uphold the complaint. Allianz Insurance Plc must take the steps in accordance with what I've said under "Putting things right" above. Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs B and Mr B to accept or reject my decision before 20 June 2022.

Paviter Dhaddy
Ombudsman