

The complaint

Mrs W complains about the service she got from AA Underwriting Insurance Company Limited (AA) when she called to notify it of a claim on her car insurance policy.

What happened

Mrs W called AA to notify it of damage to her car after an accident in which a third party drove into the back of it.

Among other things, the AA agent Mrs W spoke to told her the third-party driver was uninsured. He said this would complicate Mrs W's claim but AA had a process for dealing with it. Because Mrs W and her passenger had been hurt in the accident, the agent put her through to a firm of solicitors to take details of their injuries. And AA's agent ended the call by passing Mrs W to her insurer (that is, the business who underwrote her policy), saying she'd be fixed up with a garage to repair her car and given a courtesy car.

Mrs W says AA told her in its first call with her that it would "*look after*" her but she says it didn't. In particular, Mrs W says:

- The information the agent gave her about the third-party driver being uninsured was incorrect (something AA discovered a few days after Mrs W notified it of the accident).
- She wasn't given a courtesy car.
- She was pressured into giving details of her injuries to the firm of solicitors.
- She had to contact AA a number of times to work out how her claim was progressing and was often on hold for long periods.

When Mrs W complained to AA about what had happened, AA upheld part of her complaint. AA said its agent incorrectly entered the third-party driver's details, which led to him telling her the driver was uninsured. AA apologised for this. But AA didn't think there'd been any failings in its service after that because the issues with Mrs W's claim were being dealt with by her insurers and not by AA.

Unhappy with this outcome, Mrs W brought her complaint to us. The investigator who looked at it upheld it. She thought AA could've handled Mrs W's claim journey better and that if all the options had been explained to her fully at the outset – including in relation to the provision of a courtesy car – this would've reduced the time Mrs W spent contacting AA and the frustration this caused her. Our investigator recommended AA pay Mrs W £100 for the distress and inconvenience it had caused her.

Mrs W disagrees with our investigator's recommendations. Among other things, she says she paid for a service – including an entitlement to a courtesy car – that she didn't get.

AA also disagrees with our investigator's recommendations. It says it explained to Mrs W that it wasn't dealing with her claim because it was the responsibility of the insurer who underwrote her policy to do this – and not AA, in its capacity as an accident management firm.

So Mrs W's complaint has come to me to decide.

I should make it clear my decision concerns only AA's handling of the notification by Mrs W of her claim and what flowed from this. Although AA sold Mrs W her car insurance policy and acted as a first port of call for Mrs W following her accident, AA didn't underwrite Mrs W's policy. So it was under no obligation to give her a courtesy car. This is something that was dealt with by the insurer who underwrote Mrs W's policy, in line with the policy terms and conditions. I understand Mrs W has made a separate complaint to us about how her insurer dealt with her claim, including the issue of the courtesy car, and has had our answer on it. So I won't be considering that issue in this 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 Mrs W's complaint. I'll explain why.

AA accepts its agent told Mrs W in the initial call that the third-party driver was uninsured, and that this was incorrect. It's obvious from Mrs W's response to this news during the call that she found this upsetting. And while the agent said AA could still deal with her claim, he did also say it will complicate it. So I think the incorrect information AA gave caused Mrs W distress.

Part way through the call, AA's agent put Mrs W through to a firm of solicitors to discuss details of the injuries she and her passenger had suffered in the accident. Mrs W says she was pressured into doing this. But having listened to the call, I don't think AA's agent put pressure on Mrs W to speak to the solicitors – he asked Mrs W if she would speak with them and she agreed.

At the end of the call, the agent said he was putting Mrs W through to her insurer, who would arrange for a garage to repair her car and for her to be given a courtesy car while hers was off the road. I think this, and the agent's assurance that AA would "*look after*" Mrs W, led her to think her car would be repaired and a courtesy car would be given to her as a matter of course. So, as well as giving Mrs W incorrect information, I don't think AA managed Mrs W's expectations about how her claim might be progressed by her insurer in its call. When Mrs W's insurer subsequently decided to settle her claim by declaring her car a write-off (and not giving her a courtesy car), she was understandably confused and upset.

Motor insurance claims often involve multiple parties and understanding who is doing what as the claim progresses can be confusing for a policyholder. It's clear Mrs W didn't fully understand the roles and responsibilities of the different parties involved in her claim. I think had AA – as Mrs W's accident manager – explained these better at the outset, and in its subsequent calls with her, it's likely Mrs W's experience would've been smoother. I think she'd have spent less time than she did making numerous calls to try to understand what was happening – which would've lessened the obvious frustration this brought her.

In response to our investigator's view, Mrs W has made a number of comments. Some relate to the courtesy car. These issues, as I've already said, aren't part of this complaint because they concern how the insurer who underwrote Mrs W's policy dealt with her claim. Many of Mrs W's other comments relate to the service she got from AA, which she says (along with other companies involved in the complaint) didn't give her "*any assistance whatsoever*". As far as Mrs W's comments relate to AA, I don't agree that she was given "*no assistance*". But I do think AA's failings in its initial call with Mrs W in particular caused her distress and

inconvenience. And for that reason, I think it's fair and reasonable for AA to pay Mrs W £100 in compensation for this.

My final decision

For the reasons I've given, I uphold Mrs W's complaint and direct AA Underwriting Insurance Company Limited to pay Mrs W £100 for the distress and inconvenience it has caused her.

AA Underwriting Insurance Company Limited must pay Mrs W this compensation within 28 days of the date we tell it Mrs W accepts my final decision. If it doesn't, AA Underwriting Insurance Company Limited must pay Mrs W simple interest at the rate of 8% a year from the date of my final decision to the date of payment.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs W to accept or reject my decision before 6 February 2023.

Jane Gallacher
Ombudsman