

The complaint

Mr T complains about how Royal & Sun Alliance Insurance plc (RSA) handled a claim under his motor insurance policy.

What happened

Mr T bought a motor insurance policy from RSA covering his car.

In September 2021, Mr T was involved in a motor accident in which a third party caused damage to his car, rendering it undriveable.

Mr T rang RSA who told him it would recover him and his car within about an hour. In the end he had to chase up RSA and he waited for a total of four hours for recovery.

His car was taken to RSA's repairer, who I'll refer to as M. M initially investigated the damage to Mr T's car and discussed it with RSA's internal engineers.

The car had been damaged to the extent that M and RSA were deciding whether to repair it, or write it off due to the cost of repairs. Mr T wasn't kept up to date with the decisions being made. He says this made him very anxious because he was aware that his car had suffered significant damage he thought was structural.

While his car was being repaired, Mr T was provided with a hire car, which was a small hatchback. Mr T wasn't able to transport his dog in this hire car because the rental company wouldn't allow it. So Mr T had to make arrangements for his dog to be cared for elsewhere.

He was also worried about damage to the hire car, because RSA hadn't explained to him that the hire car would be covered under his existing motor policy, so it was only subject to his existing policy excess.

Ultimately, the car was repaired. When it was returned, it had an incorrectly fitted tyre, which needed rectification. Mr T was so unhappy with the process he'd been through that he sold the car because he didn't feel he could trust it.

Mr T wasn't happy about the lack of contact by RSA and M and he complained. RSA didn't respond to Mr T within eight weeks, and he brought his complaint to this service.

RSA then responded to Mr T. It apologised for its service and upheld Mr T's complaint in part. It said it would pay Mr T a total of £175, made up of £75 for the delay in recovering him, £75 for the lack of updates from it and M, and £25 because the hire car excess wasn't explained fully to him.

Mr T is unhappy because of the lack of updates he's had from RSA. He says he has suffered stress and anxiety from RSA's claims process. He said he had so little confidence with M that he asked RSA to change the repairer, but RSA said it didn't have a record of this request.

Our investigator looked into Mr T's complaint and upheld it. She said she thought RSA

hadn't acted fairly and reasonably and should pay Mr T an additional £75 for his distress and inconvenience.

RSA didn't respond to the view. So Mr T's complaint has been passed to me to make a decision.

I issued a provisional decision to give both parties the opportunity to consider things further. This is set out below:

Mr T's complaint covers several areas so in order to better deal with it I've broken it down for ease of reading.

Initial recovery

I can see that RSA has already paid Mr T £75 for the delayed recovery. This is in line with what this service would recommend, and I think it's appropriate.

Hire Car

I understand that Mr T used his car to transport his dog, and he was told by the hire car company that this wasn't possible in the hire car. I can see RSA have told Mr T this is because of potential allergies for future hirers of the car. I can appreciate that Mr T would have found this particularly inconvenient, especially over the length of time RSA and M were repairing his car. But I don't think it's unreasonable of RSA and the car hire company to have a policy like this.

It's also my understanding that Mr T was particularly worried about damage being caused to the hire car while he had custody of it. RSA was providing cover for the hire car, as it was provided by it as part of the claim, but I think it's likely Mr T wasn't fully aware of this fact, and that his standard policy excess would apply to damage caused to the hire car. On balance, I don't think Mr T should have been overly worried about potentially damaging the hire car over any damage that might have happened similarly to his own car. But I think RSA and the hire company should have explained it better to him. RSA has paid £25 for this, and I think that's reasonable.

Mr T has also said the hire car wasn't appropriate for his needs. We have asked RSA for a copy of his policy wording, but this hasn't been received to date. I've looked online for the wording, and it's my understanding that the cover provided by RSA is for a small hatchback type vehicle which is a common approach in motor insurance. I can see from Mr T's policy documents that it's possible for him to have chosen an option to upgrade the courtesy car cover to a like-for-like vehicle, but he didn't take this option.

I don't think RSA have acted unfairly by providing him with a small hatchback, so I'm not going to ask it to do more.

Claims service

About a week after the accident, I can see that Mr T contacted RSA about his car. He was asking whether it was likely to be written-off or repairable. He chased RSA several times over the next ten days. During this period, he says he was told by M that his car was a write-off.

RSA's evidence during this time shows it had accepted the car was to be repaired, but it wanted further strip-down inspections to be carried out. M hadn't heard from RSA about this.

Mr T didn't receive calls back from RSA or M when he asked for updates. This went on until the start of November when Mr T raised another complaint with RSA. Mr T says he chased up both companies about 20 times and rarely got any communication back.

I can see from the file that the car hadn't been stripped down as at 2 November despite it being authorised around 9 October. This is despite Mr T chasing RSA at least seven times at this point. The poor communications continued until the repairs were complete and Mr T received his car back on 22 November. When it was returned, he'd asked for the original tyres to be replaced back onto the vehicle, but one of the tyres was incorrect which then needed further rectification.

Mr T says that because the communications were poor and inconsistent, he questioned whether he could trust M to carry out the work. He says the incorrect tyre is evidence of this lack of trust.

Having reviewed the evidence, I think it's fair to say that RSA's claims service was very poor. I can see that lack of action directly led to a delay of about four weeks. Mr T continued to chase during this time but seems to have been ignored by RSA.

I think Mr T has done all he can to try and move his claim forward and the responsibility for the delay and poor service is entirely the fault of RSA. Mr T has explained the impact on him. He says the delays and chasing have caused him significant anxiety and have left him with no confidence in M, RSA or the car. This left him feeling forced to sell the car in the end because he didn't trust the work that had been done.

In later correspondence, Mr T has told this service that he may now be pursued by the third-party insurers for excessive hire car costs. This is apparently due to the length of time the hire car was being hired for. This did not form part of Mr T's approach to this service, so I'm not able to consider it here, but I think I have made it clear where the responsibility for the delay sits. If he wishes, Mr T can make another complaint to RSA about this matter.

Overall, I agree with Mr T that RSA's claims service has been very poor throughout. It offered £75 compensation for this, but I don't think that's enough given RSA's lack of response throughout Mr T's claim.

Taking everything into account, I think RSA should pay Mr T a total of £400 compensation for the poor recovery service, lack of explanation of his hire car excess and the poor claims service during his claim.

Responses to my provisional decision

Mr T agreed with my provisional decision but RSA didn't respond to it.

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.

As Mr T agreed with my provisional decision and RSA didn't respond, my final decision and reasoning remains the same as in my provisional decision.

My final decision

My final decision is that I uphold this complaint. I direct Royal & Sun Alliance plc to pay Mr T a total of £400 compensation for his distress and inconvenience. I understand RSA has

already paid £175, so this amount can be deducted.

Royal & Sun Alliance plc must pay the amount within 28 days of the date on which we tell it Mr T accepts my final decision. If it pays later than this, it must also pay interest on the amount from the date of my final decision to the date of payment at 8% a year simple.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr T to accept or reject my decision before 20 December 2022.

Richard Sowden
Ombudsman