

The complaint

Miss D complains about AA Underwriting Insurance Company Limited (AA)'s handling of her motor insurance claim.

All references to AA also include its appointed agents.

What happened

The details of this complaint are well known to both parties, so I won't repeat them again here. Instead, I'll focus on giving my reasons for my 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 agree with the conclusions reached by the investigator for these reasons:

- I acknowledge our investigator said, and Miss D accepted, the settlement offered by AA was fair and in the region of what our service would expect to see. But for completeness, having reviewed the valuations set out in relevant trade guides I'm satisfied the offer AA has made is within a reasonable range and is fair.
- From reviewing everything, I can see there have been avoidable delays in the progression of Miss D's claim. The claim was reported in February 2022 and repairs were authorised for the vehicle around two weeks later. However, it then took around six weeks for the vehicle to be booked in for repairs with a garage.
- After investigations were complete, Miss D's vehicle was declared a total loss but AA didn't offer a settlement figure to around three weeks later, and from reviewing matters I've not seen anything that would have prevented AA in both instances from acting more quickly.
- The terms in the policy say a courtesy car is provided during repairs, but I can see AA offered £200 compensation which it explains was for Miss D to forfeit the option of a courtesy car during repairs.
- However, in addition, Miss D was left without a vehicle for some time before the vehicle arrived in the garage. And as I've set out above, I think there were avoidable delays in this progressing. As a result, Miss D says she incurred additional travel costs, of which I've seen sufficient evidence, as well as the inconvenience of not being able to carry normal out day to day activities. So I do think Miss D has been impacted by AA's error.
- AA accepted it provided poor communication and service. And I can see Miss D had to regularly chase for updates.
- So, considering what I've set out I'm not minded to alter the compensation recommended by our investigator (an additional £200). I think the amount is in line with what I believe to be reasonable in the circumstances and fairly represents the inconvenience Miss D has been caused by AA's actions.

So for these reasons, I uphold this complaint.

Putting things right

To put things right AA Underwriting Insurance Company Limited should pay Miss D an additional £200, increasing compensation to a total of £400.

My final decision

My final decision is that I uphold Miss D's complaint.

To put things right I direct AA Underwriting Insurance Company Limited to do as I've set out above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss D to accept or reject my decision before 11 April 2023.

Michael Baronti
Ombudsman