

The complaint

Mr S complains about the way AA Underwriting Insurance Company Limited handled with a claim he made on his motor insurance policy.

What happened

Mr S bought a new car in May 2022. He'd only had it for a few weeks when someone drove into the back of it and damaged the bumper. He claimed on his motor insurance with AA.

AA wrote to Mr S promptly. It said it would send him details of who would be dealing with the claim. And it mentioned that due to events beyond its control, there were industry-wide delays in getting parts, which might affect how quickly the car could be repaired. It said its repairer would contact Mr S shortly to discuss that further.

Mr S says he didn't receive any further communication from AA until September 2022. This followed him contacting AA to say that the manufacturer of his car had confirmed that the part needed to mend his car was available. AA emailed Mr S later that day to say it had asked its repairer to contact Mr S to explain the delay. But he says the repairer didn't call as promised.

When Mr S brought his complaint to us, nearly six months had passed since the accident, and his car still hadn't been repaired. He said he'd phoned AA around 20 times and had had to wait 45 minutes for his calls to be answered.

Mr S says he was frustrated to discover in November 2022 that the scheduled repairs had been cancelled but he hadn't been told. AA then agreed, in early December 2022, that he could use his own repairer to carry out the necessary work. What's more, AA would provide him with a hire car while the repairs were being carried out – something which it had previously explained that his policy didn't allow for if he used his own repairer. Mr S believes AA could have agreed to that months before it did. And he says the manufacturer of the car has told him that AA's approved repairer didn't order the part.

In response to Mr S's complaint, AA said it would always try to order new parts from the car's manufacturer to provide a guaranteed warranty. But the covid pandemic and other world events beyond its control meant that it had become difficult to get key components for cars.

As far as communication is concerned, AA said it "can only provide updates when significant movement occurs on the claim". It said it would continue to chase its repairer, and had left notes on the claim file to make sure that if anything did happen, Mr S would be informed. It went on to apologise that the service Mr S had received had fallen short of its expected service standards, but it said it wasn't upholding his complaint.

One of our investigators considered Mr S's complaint and thought it should be upheld. In summary, he didn't think AA had done enough to manage the claim and to keep Mr S informed about the problems with the repairs. In the circumstances, he thought it was reasonable for Mr S to arrange the repairs himself, and for AA to cover the cost. And he thought it should pay Mr S £150 to compensate him for its poor handling of his claim.

AA didn't agree with the investigator's view, so the complaint's been passed to me.

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'm upholding the complaint for much the same reasons as the investigator did.

AA has commented in response to the investigator's view that it was aware that Mr S had a booking-in date for his car to be repaired and knew that the repairer was waiting for parts. It says that if the repair date needed to be changed it was for the repairer to notify Mr S. And it says that there was no update it could have provided to Mr S which hadn't already been given. It acknowledges that a booking for the repair was cancelled in September 2022, but says this was because its repairer was still waiting for the replacement part. The repair would have been re-booked once the part was available.

AA says it doesn't see what more it could have done. And it's reiterated that since the necessary part wasn't available, it wouldn't have made a difference whether the car was with its approved repairer or Mr S's own repairer.

I accept that the delay in getting the parts was beyond AA's control. And although Mr S told us that his own repairer initially said that the necessary spare part should be available within a few days, that appears not to have been the case.

But I consider that AA could have done more to keep Mr S informed. I acknowledge that there may have been nothing it could have said other than to tell him that the repairer was still waiting for the parts. But regular updates, even if they couldn't say more than that, would at least have reassured Mr S that his claim hadn't been forgotten about.

As it was, it was left to Mr S to spend a significant amount of time on the phone, chasing AA for updates over a prolonged period. And I think the £150 recommended by the investigator is reasonable to reflect that inconvenience.

I acknowledge that Mr S's main concern is to have his car repaired. That can't be done until the necessary spare part is available. I sympathise with Mr S's frustration at the delay in carrying out the repair. And I consider AA's offer to let him use his own repairer to be reasonable.

Putting things right

To put things right, AA should:

- Settle Mr S's claim in accordance with the policy terms
- Allow Mr S to have the car repaired by his own repairer, and if he chooses to do so, reimburse Mr S for the cost of the repair
- Pay Mr S £150 to reflect the trouble and upset he's experienced.

My final decision

My decision is that I uphold this complaint. I require AA Underwriting Insurance Company Limited to put things right by doing as I've set out above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr S to accept or reject my decision before 18 May 2023.

Juliet Collins
Ombudsman