

The complaint

Mr H1 and Mr H2 complain that Aioi Nissay Dowa Insurance UK Limited (Aioi) provided a poor level of support after a telematics device that was fitted to Mr H1's car caused the car battery to go flat.

References to Mr H1 or Mr H2, will include the other.

Aioi are the underwriters of this policy i.e. the insurer. Part of this complaint concerns the actions of the intermediary. As Aioi have accepted it is accountable for the actions of the intermediary, in my decision, any reference to Aioi includes the actions of the intermediary.

There are several parties and representatives of Aioi involved throughout the complaint but for the purposes of this complaint I'm only going to refer to Aioi.

What happened

Mr H1 took out a telematics insurance policy with Aioi. Mr H2 was a named driver on the policy.

On 15 September 2023 Aioi's approved partner fitted a telematics device to Mr H1's car. When Mr H2 tried to get into the car later that day, he was unable to unlock it electronically or start it. He called Aioi and it said it could not do anything as it was down to the company who came to fit it to resolve the issue. It said it could organise this for him and it would log a complaint.

Through a separate breakdown policy Mr H2 organised for the car to be looked at and it was found that the battery was flat and needed to be charged. He said the issue was caused as the lights had been left on after the telematics device had been fitted.

On 10 October 2023 Aioi's approved partner came out to assess M H's car. The report was not conclusive.

Mr H also received a letter from Aioi saying if he did not get the telematics device fitted it would cancel his policy. This was sent after it had been fitted.

Aioi recognised its service fell below the standard it should have and offered £25 in compensation in recognition of poor communication.

Because Mr H2 was not happy with Aioi, he brought the complaint to our service.

Our investigator upheld the complaint. They looked into the case and said for the distress and inconvenience caused Aioi should increase its offer of compensation to a total of £100.

As Aioi is unhappy with our investigator's view the complaint has been brought to me for a final decision to be made.

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.

When Aioi's approved partner attended to fit the telematics device to Mr H1's car, he was able to unlock the car and turn the ignition on. I saw the report produced when this was undertaken recorded the battery to the car was good at this point. This persuades me the battery was not flat before this work was carried out.

As the car had not moved after the device had been fitted I think it was reasonable for Mr H2 to think the issue with the car not starting was likely to be connected to the work carried out earlier that day when the telematics device had been fitted, and to contact Aioi for help. Aioi said it would contact the company who had fitted the device, but was not helpful with the immediate issue of the car not starting.

The report from the roadside assistance mechanic who was arranged separately by Mr H2 to look at his car on 15 September 2023 said;

"flat battery boosted off, alternator charge is fine, but battery is the original from new so advised that it is probably weak and to get tested." Mr H2 told the mechanic of the work carried out earlier in the day and he concluded the battery was flat due to lights being left on after this work.

It took until 10 October 2023 for Aioi's engineer to look at the car. It didn't find the battery was flat but when the battery was tested this showed it needed replacing.

Although there is no way of proving for certain that the lights had been left on when the telematics device was fitted, I am persuaded that something, which may or may not be a light being left on, caused the battery to go totally flat immediately after that work had been undertaken. Resulting in the car not being able to be unlocked electronically or started.

Mr H1's motor insurance policy is with Aioi and Aioi is responsible for any subcontractors it uses. This includes the partner who fitted the telematics device. I think when Mr H2 contacted Aioi for support it could have been more helpful. Mr H1 and Mr H2 were still able to use the car for more than three weeks whilst they waited for Aioi's partner to come out and try and identify an issue.

Cancellation Letter

When Mr H1 received the letter from Aioi that said it would cancel his policy if he did not get the telematics device fitted, Mr H2 contacted Aioi using the live chat function. Aioi apologised and said these letters are automated, and the letter issued to Mr H1 on 26 September 2023 should not have been sent.

After considering both the issue with the battery and the incorrect communication, I have decided to uphold Mr H1 and Mr H2's complaint. I require Aioi to increase the amount of compensation by a further £75 to a total of £100 to cover both poor communication and for the lack of support offered, and the delay in inspection, when the car was left with a flat battery after the telematics device was fitted.

My final decision

I uphold this complaint and require Aioi Nissay Dowa Insurance UK Limited to pay Mr H1 and Mr H2 a total of £100 compensation. Less anything already paid.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr H and Mr H to accept or reject my decision before 19 November 2024.

Sally-Ann Harding
Ombudsman