

## **The complaint**

Mr W complains about how Aioi Nissay Dowa Insurance UK Limited (UKL) handled a claim made on his motor insurance policy.

## **What happened**

Mr W's car was damaged and UKL took it for repairs. But Mr W was unhappy with the repairs, and he said further damage had been caused. Mr W sent photographs to UKL, and it agreed that there was new damage following the accident. Mr W obtained a quote from his choice of repairer to make good the damage. UKL sent an engineer to inspect the car after a missed appointment. UKL then approved the repairs. UKL agreed that it had caused delays and poor repairs. And it offered Mr W £400 compensation for the trouble and upset caused. But Mr W remained unhappy.

Our Investigator recommended that the complaint should be upheld. He thought UKL had agreed that rectification work was needed. And he thought it was reasonable for Mr W to be reluctant to use UKL's repairers again. So he thought UKL had reasonably agreed for Mr W to use his own repairer, albeit it approved this after a delay. But he thought UKL's delays and poor repairs had caused Mr W embarrassment and humiliation as well as stress and inconvenience. And he thought UKL should increase the offer of compensation to £800.

Mr W accepted this. But UKL replied that it thought £400 compensation was sufficient for its poor service and the need for rectification. UKL asked for an Ombudsman's review, so the complaint has come to me for a final 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.

I can understand that Mr W felt very upset when his car was returned to him with scratches and unrepaired damage. UKL has a responsibility to deal with claims fairly and promptly. And it accepts that it provided Mr W with poor service:

- Mr W should have reasonably expected that his car would be fully repaired the first time it was taken to UKL's approved repairer. But the repairs caused further damage to his car, as shown by before and after photographs. And Mr W said the repairer refused to acknowledge this. So Mr W had the inconvenience of having to prove his case to UKL and to arrange for further repairs to be made.
- Mr W was reluctant to return to UKL's approved repairer network for rectification. So he chose his own repairer and provided a quote to UKL. UKL then wanted an independent engineer to inspect his car before it agreed to proceed as UKL wanted to check whether the car had a ceramic coating.
- Mr W didn't have any documentation as the coating had been added before he bought the car. This was then confirmed by a photograph of a sticker on a window. UKL already had the photographs. And I think that if it could identify the ceramic coating from the sticker, it could have done this earlier rather than cause further delays. This authorisation took six weeks to be given. UKL has agreed that the delays in organising an inspection

and approving Mr W's estimate were unacceptable.

- Mr W was also unhappy that after taking much trouble to arrange, the inspection was very brief. But we're not engineers. And so I can't say whether or not the engineer should have taken longer to carry out the inspection.
- Mr W was then unhappy that his garage couldn't start the rectification for a further month. But I think this was outside UKL's control, and it had warned Mr W that this might cause a further delay. However, UKL's repairer continued to contact Mr W after he had made it clear that he was using his own repairer and UKL had agreed to this. I can understand that this must have been very aggravating for Mr W.

When an insurer makes an error, as I'm satisfied UKL has done here, we expect it to restore the consumer's position as far as it's possible to do so, and we expect it to compensate the consumer for the impact of the error.

UKL approved the repairs to Mr W's car at his choice of garage. And it paid Mr W £400 compensation for the poor service and inconvenience caused. I think that reasonably restores his position. But I'm not satisfied that this award takes into account the impact of the errors on Mr W.

I think Mr W had made it clear to UKL when his car was first returned to him that the damage caused to his car was causing him extreme upset. He said he wanted to destroy the car, but UKL persuaded him that it would rectify the damage. Mr W also explained that he was being caused extreme stress by the level of service provided and with being passed between UKL and its agents.

I've listened to many of the calls Mr W made to UKL where he patiently restated his concerns and his position. In two calls with UKL Mr W made it clear that he felt very embarrassed driving the car due to the condition of the paintwork. He said people asked him what had happened to his car, and he told UKL that he found this very upsetting, bringing him almost to tears.

So I agree with the Investigator that UKL's level of service caused Mr W humiliation and stress over several months. I'm satisfied that an award of £800 in total for the impact of UKL's errors is in keeping with our published guidance, and so I think that's fair and reasonable in Mr W's particular circumstances.

### **Putting things right**

I require Aioi Nissay Dowa Insurance UK Limited to pay Mr W £800 in total (£400 further) compensation for the distress and inconvenience caused by its level of service.

### **My final decision**

For the reasons given above, my final decision is that I uphold this complaint. I require Aioi Nissay Dowa Insurance UK Limited to carry out the redress set out above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr W to accept or reject my decision before 26 December 2025.

Phillip Berechree  
**Ombudsman**