

complaint

Mr M's complained that Aviva Insurance Limited caused delay when it dealt with a claim he made under his car insurance policy.

background

Mr M made a claim to his insurer, Aviva after his car was hit by a third party. His wife gave Aviva the registration details of the other driver's car. They'd been in communication with the other driver who initially agreed to pay for the repairs to Mr M's car. But the other driver then said she would contact her insurer. So Mr and Mrs M contacted Aviva.

Aviva said Mr M would have to pay his excess as he was making a claim. But because Mr M had legal protection cover, Aviva said he could recover his excess as an uninsured loss. So it passed the details of the other driver to solicitors to pursue recovery on his behalf.

Mr M complained to Aviva a few months later. He said it was taking too long to recover his excess and he wasn't receiving regular updates.

Aviva didn't uphold Mr M's complaint. It said the solicitors provided regular updates to Mr M.

But when Mr M asked us to look at his complaint, Aviva said it came to light that the registration number it had written down was incorrect. So the solicitors had been chasing the wrong insurer to recover Mr M's excess from.

Our investigator recommended Aviva pay Mr M £200 compensation for its failure to contact the correct insurer as this caused unnecessary delay.

Aviva didn't agree. It said Mrs M didn't correct its call handler when he read back the registration details to her when she reported the incident. And when the solicitors wrote to Mr M with the incorrect registration details, he didn't tell it the details weren't correct either. Aviva went on to say that the registration details Mrs M gave didn't show the car was the model Mrs M said it was – or that it was insured. So even if it had acted on the correct registration details, the outcome would have been the same. Because Mr M didn't have the correct registration details, recovery of his excess wouldn't have been possible anyway.

But Mr M called the solicitors for an update and they told him they'd found the insurer for the other driver and made contact. Shortly after this, the other driver's insurer accepted liability and the solicitors have recovered Mr M's uninsured losses. So it's paid Mr M's excess back to him.

The investigator told Aviva she felt its error had caused the delay. But Aviva insisted it was down to Mrs M not correcting their call handler. And Aviva believes recovery wouldn't have happened anyway. It doesn't seem to be aware that the solicitors have recovered Mr M's uninsured losses.

Mr M doesn't think £200 compensation reflects the poor service he's received from Aviva.

So because both parties don't agree, the matter has been passed to me to decide.

my findings

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 intend to uphold it. I think the investigator's recommended compensation for Aviva to pay Mr M is fair.

I've listened to the call recording when Mrs M reported the incident. The registration details she provided were read back to her by the call handler. I think he read back the same registration number. So I can't see how Mrs M would have known he'd written the wrong details down. And I don't think it's fair for Aviva to say it was for Mr M to notice the registration details were incorrect when the solicitor wrote to him. It was wrong by one digit – and ultimately the error was caused by Aviva – not Mr M.

As a result, the solicitors contacted the wrong insurer and for several months the claim didn't progress. This is because the wrong insurer said its insured wasn't involved in the incident – which was true.

Mr M has provided emails to show the solicitors have since been able to contact the correct insurer and recover his uninsured losses. But Aviva still says even with the correct registration details, the recovery could never have been pursued. So it appears Aviva isn't aware of the solicitors' progress with the legal protection part of his claim.

So I think Aviva caused unnecessary delay. If the call handler had passed the correct registration details to the solicitors, it could have pursued and settled the claim for Mr M's uninsured losses much sooner. We know this as once it wrote to the correct insurer, the claim settled fairly quickly.

I appreciate Mr M feels the level of compensation isn't enough – partly because our investigator initially recommended £200 compensation for failing to keep Mr M regularly updated. But the solicitors did keep Mr M regularly updated. Unfortunately it was through chasing the wrong insurer. So I think £200 compensation is a fair sum. This reflects the inconvenience and delay Aviva's mistake caused in settling his claim.

my final decision

For the reasons I've given above, my final decision is that I uphold this complaint.

I require Aviva Insurance Limited to pay Mr M £200 compensation for the delay it caused.

Aviva must pay the compensation within 28 days of the date on which we tell it Mr M accepts my final decision. If it pays later than this it must also pay interest on the compensation from the date of my final decision to the date of payment at a simple rate of 8% a year.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr M to accept or reject my decision before 24 July 2017.

Geraldine Newbold
ombudsman