

complaint

Mr and Mrs S have complained about Allianz Insurance Plc's decision to record an incident as a fault claim under their car insurance policy. They say their policy premiums increased because of this. They're also unhappy about the length of time it's taken for their claim to be investigated.

background

Mr S was involved in an incident with a foreign registered lorry and trailer in January 2014. Mr S says the third party driver admitted liability and gave him his full details. Mr S contacted the insurer immediately, and later that day followed up with the insurer via email with all the third party details.

In May 2015, some 16 months later Allianz contacted Mr and Mrs S to ask for the third party's contact information again. Mr S duly sent this information again and expressed concern as he believed that this incident had all been sorted out.

In February 2016, Allianz were advised that the registration number provided was for the trailer only, and a registration number for the pulling cab was required. In April 2016 Allianz requested this further information from Mr and Mrs S. As this information wasn't received by Allianz they closed the claim as a fault claim in July 2016.

In August 2016, Mr and Mrs S were looking to change insurer. At this point they became aware that the claim had been recorded as a fault claim against them. On Mr S' insistence Allianz reopened the investigation and further enquiries were made. Again because the registration number for the pulling cab and the trailer wasn't the same, Allianz said the claim couldn't progress. Mr S was told nothing else could be done. Allianz apologised for this and offered £250 compensation. Mr S remained unhappy, and following further dialogue Allianz apologised again and offered Mr and Mrs S an additional £150 compensation.

Our adjudicator said she was unable to uphold the complaint. She agreed that Allianz mishandled the claim and possibly prejudiced it. But she said that without the registration number of the pulling cab and the insurer details, they couldn't take the claim further. She felt this was reasonable.

Mr and Mrs S remained unhappy, so they've asked for an ombudsman's decision.

my provisional decision

I issued a provisional decision to give Mr and Mrs S and Allianz the opportunity to comment on my findings, which were different from those of our adjudicator. I upheld the complaint and this is what I said:

my provisional findings

I don't believe that Allianz have carried out a fair and reasonable investigation of this claim. I've looked at the evidence provided by Allianz. Especially the file notes. I can see that Mr S did call Allianz on the day of the accident. And he did say that he would follow up the call with an email. I can see this email was sent and there was further contact 10 days later to

discuss repairs. There are some further file note entries at end of January 2014 and at the beginning of February 2014. But then the next note on file is April 2015, some 14 months later, and this is in the form of an internal note stating that there are no third party details available so no hope of recovery.

I've seen a copy of the email sent to Allianz by Mr S on the day of the accident. I can see that it was sent to a generic email address, and that it contains a substantial amount of information regarding the third party. It even states that Mr S spoke to the company that owned the third party vehicle, and gave a specific contact within that company for any queries.

From the evidence provided I can't see that anything happened to progress or investigate Mr and Mrs S' claim between February 2014 and April 2015. Further to this, once the details were requested again in April 2015, it would seem that another 10 months passed before anything was done. An internal email on file dated February 2016 would indicate that even at that late stage the third party details hadn't even been entered onto Allianz's system.

But it would seem that the investigation did start to move at this point. And in March 2016, some 26 months after the accident, it was discovered that the registration number of the third party vehicle as provided was for the trailer and not the actual pulling cab.

At this point Allianz went back to Mr and Mrs S to request the registration of the pulling cab. There was no response from the consumer to their letters and I can see that Allianz did try to call. But there was no reply. Eventually in July 2016 the claim was closed and recorded as fault. Allianz were unable to get a refund of their outlay as they had no third party registration and neither Mr nor Mrs S had replied to their correspondence.

But I don't know why Allianz concentrated solely on Mr and Mrs S to provide the registration number for the vehicle. The DVLA website states that to pull a trailer in the UK, the trailer must display the same registration number as the vehicle pulling it. So it should've been clear that Mr and Mrs S weren't going to be able to assist. They'd already provided the registration number they were given. Further to this, Mr S had provided the name and contact number for the business that owned the vehicle. So Allianz should've contacted the third party business directly. But there's no evidence that they did.

I appreciate that once Mr and Mrs S complained the case was reopened and investigated again. But from what I can see it was Mr S who eventually spoke to the owners of the vehicle, and not Allianz. And they confirmed that unfortunately they no longer had a record of the vehicle that was in use that day, and the trailer had been sold.

So I agree with our adjudicator. This claim was badly mis-handled. But I also believe that Mr and Mrs S have been prejudiced by the way Allianz dealt with this claim. There was a problem with the registration details provided by the third party. And this could've been brought to light and dealt with appropriately if Allianz had dealt with the claim in a timely manner. It took two years to even enter the third party details onto Allianz's system, which would indicate to me that nobody was taking responsibility in Allianz to deal with this claim. And by the time a full investigation was entered into it was too late. It was no longer possible to get the appropriate evidence to go after the outlay, and Mr and Mrs S have been left to suffer the consequences.

I think Allianz have offered adequate compensation for the trouble and upset they've caused. I understand Mr and Mrs S haven't cashed these cheques as yet. So if they are out of date

they may need to be cancelled and reissued. In addition to this Allianz needs to remove the fault claim from Mr and Mrs S' internal and external records, and mark the claim as non-fault. They should reinstate their no claims discount to reflect non-fault from the renewal date that followed immediately after the accident. Allianz should also refund any additional premiums that've been charged since that renewal. And they should also provide a letter to Mr and Mrs S stating the change in claims history, so that their new insurer can refund any increase in premium from 2016. Interest of 8% should be paid from the payment date immediately post-accident on any refunds that are due.

my findings

I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint.

Mr and Mrs S replied and expressed regret that it's taken so long to get to this point. But they've no further comments and they've asked that I address them as Mr and Mrs S in my final decision. Allianz also replied to say it's now dealt with the complaint as directed in my provisional decision. So as I've not been given any further evidence or comments to consider I see no reason to depart from the conclusions I reached in my provisional decision. I confirm those findings here. And for the reasons set out in full above I uphold this complaint.

my final decision

I uphold this complaint. I order Allianz Insurance Plc to:

- Re-issue any cheques for compensation that have not yet been cashed by Mr and Mrs S.
- Remove the fault claim from Mr and Mrs S' internal and external records, and mark the claim as non-fault.
- Provide a letter to Mr and Mrs S stating the change in claims history. Mr and Mrs S can then give this letter to their current insurer as evidence of their correct claims history.
- Refund any additional premiums that Allianz has charged because of the error.

Allianz must also add interest* to any refund at the simple rate of 8% per year from the date of renewal to the date of settlement.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr and Mrs S to accept or reject my decision before 2 January 2018.

Derek Dunne
ombudsman

*If Allianz Insurance Plc considers that it's required by HM Revenue & Customs to take off income tax from that interest; it should tell Mr and Mrs S how much it's taken off. It should

also give Mr and Mrs S a certificate showing this if he asks for one, so he can reclaim the tax from HM Revenue & Customs if appropriate.