

complaint

Mr S complained that Allianz Insurance Plc were taking too long to deal with his claim under his motor insurance policy.

background

In December 2015, Mr S's car was in an accident with another car which didn't stop at the scene. Allianz have instructed solicitors to pursue Mr S's claim against the other driver.

Mr S felt that Allianz hadn't kept him informed of the progress of his claim and were taking too long to deal with it, and that this had left him out of pocket. His premiums had gone up because this claim was still open. And he was unhappy that he was now expected to pay Allianz's solicitors costs too. He felt that this wouldn't have been necessary if Allianz had acted more quickly and inspected the other driver's car before it was sold.

Allianz accepted that they hadn't provided good customer service because they didn't make much progress on Mr S's claim for several months. They also acknowledged that they'd failed to keep him informed. Because of that they paid him £350 for his inconvenience. But they didn't think that asking earlier to inspect the other car - before it was sold - would have made a difference. They confirmed that they would pay the solicitor's fees.

Mr S remained unhappy and so brought his complaint to us. He wanted Allianz to close the claim as no-fault and reimburse him for the additional premium he'd had to pay because of it. The investigator didn't recommend that his complaint should be upheld. She thought that Allianz had acknowledged their delays and made a reasonable compensation payment for those. She also considered that they hadn't done anything wrong in keeping the claim open and instructing solicitors.

Mr S didn't agree and so his case 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.

The other driver fled the scene of the accident. But Mr S gave Allianz a description of the car and its registration number at that time. Allianz then made a claim against the other driver. But he denied any involvement in the accident. He said that he was not there and was not liable.

The other car left red paint on Mr S's car in the accident and damaged it. Mr S wanted Allianz to inspect the other car. He felt that this would prove that its driver was responsible for the accident. But because Allianz didn't ask to do this in time he felt that they lost that opportunity, because the other driver sold the car.

Allianz didn't agree. They thought that the main reason for the delay was that the other driver had disputed liability, as he was entitled to do. So it was unlikely that he or his insurer would have let them inspect the car even if they'd asked earlier. And even if they had inspected it, and considered that it was the right car, that would at most show that the other driver was at the scene. It wouldn't show that he was 100% at fault for the accident and so it was likely that he would continue to deny liability.

Allianz said that in such cases it would probably make a split liability settlement and that would still count as a fault claim against Mr S. So although Mr S believes that just inspecting the other car would have resolved his claim, I don't think that is the case. The other driver disputes liability, so I don't think that the delays are all Allianz's fault, or that they've been unreasonable.

I can see that the situation is very frustrating for Mr S, but I don't think that Allianz is to blame for this. And I think that the £350 Allianz has paid in compensation for their poor service does fairly reflect the inconvenience caused to Mr S. Overall, I don't think Allianz has done anything wrong by keeping the claim open at this stage, or by instructing solicitors to pursue the claim and keep Mr S updated about its progress. For that reason, I don't ask them to do anything else.

I agree that the solicitors' letter to Mr S, taken in isolation, does give the impression that he must pay their fees. However, Allianz say this is merely a standard letter with other information in it that their solicitors must send. But in any event, I can see from Allianz's file that they did tell Mr S by letter that they would pay the solicitors' costs, and he wouldn't have to. And they've since reconfirmed this to us. So I think that resolves that aspect of Mr S's complaint.

my final decision

For the reasons, I've given above it's my final decision that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr S to accept or reject my decision before 8 May 2017.

Rosslyn Scott
ombudsman