

The complaint

Mr A complains about how Aioi Nissay Dowa Insurance UK Limited handled a claim made on his motor insurance policy. He wants £10,000 compensation.

What happened

Mr A was involved in an accident and made a claim on his policy. But he was unhappy that Aioi Nissay Dowa delayed recovering his uninsured losses and that it didn't refer his personal injuries claim to its solicitors. He wants £10,000 compensation for the delays, the time he has spent on the matter, and his personal injuries. Aioi Nissay Dowa agreed it hadn't responded promptly to some of Mr A's emails and it paid him £50 compensation. But Mr A remained unhappy.

Our Investigator didn't recommend that the complaint should be upheld. She thought Aioi Nissay Dowa had instructed its solicitors to recover its outlay and Mr A's uninsured losses (his policy excess and initial repairs costs) when the other insurer had disputed liability for the accident. These were eventually recovered, and Aioi Nissay Dowa paid Mr A the required amount even though it hadn't yet received its payment. She thought Aioi Nissay Dowa then reinstated Mr A's no Claims Discount (NCD) entitlement in a reasonable time. She thought Mr A could then ask his current insurer to recalculate his premium with this.

The Investigator thought Aioi Nissay Dowa had referred Mr A to a legal partner to deal with his personal injuries claim. This was outside his motor policy. The legal company didn't contact Mr A, but she couldn't hold Aioi Nissay Dowa responsible for this. And she didn't think Aioi Nissay Dowa had appointed the legal company to recover Mr A's uninsured losses. She thought Mr A could still pursue his personal injuries claim under his separate Motor Legal Protection Policy if he so wished. And she thought Aioi Nissay Dowa's compensation for the communication delays was fair and reasonable.

Mr A replied that he wasn't aware that there was a separate claims process for uninsured losses. He thought Aioi Nissay Dowa hadn't referred him to the appropriate insurers.

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 see that there are a number of companies involved in Mr A's claim and I can understand that this must be confusing. Mr A was sold his motor insurance policy by a broker. This policy was underwritten by Aioi Nissay Dowa. And, as his complaint is about the service received after he made a claim, then his complaint is properly addressed to Aioi Nissay Dowa, even though its agents may have dealt with the claim on its behalf.

Mr A also had a separate Motor Legal Protection Policy underwritten by a different insurer but sold to him by the same broker. I can't consider the actions of this insurer here as it's a separate company to Aioi Nissay Dowa.

There are two legal companies involved. Aioi Nissay Dowa has a legal partner that could deal with consumer's uninsured losses outside the motor insurance policy. And Aioi Nissay

Dowa also employed its own solicitors that could recover its own outlay where there was a dispute with the other insurer. But, again, I can't consider the actions of the solicitors here.

Mr A said he wasn't aware that there were separate insurers and claims processes involved. But I can see that when he bought his policies, he was provided with Insurance Product Information Documents (IPIDs), along with other items, that explained the policies he had bought and the names of the insurers. Mr A provided us with copies of these. The IPID for his motor insurance policy clearly states that the insurer is Aioi Nissay Dowa, and the policy doesn't provide cover for personal injuries. I wouldn't expect Aioi Nissay Dowa to explain to Mr A how to use a separate policy.

When Mr A first made his claim, he said he made Aioi Nissay Dowa's agent aware of his personal injuries and so it should have taken responsibility for this. But I don't agree. In the call, I think the agent clearly explained that this wasn't his department and he referred Mr A to its legal partner for recovery of his uninsured losses, including his personal injuries claim:

"To offer you further assistance you may wish to utilise the services of our car hire and legal partners. This is an offer of independent support for you and is not part of your policy with ourselves. We have therefore passed your details to:

Our legal partners...will also contact you to offer assistance in dealing with any financial losses such as recovery of your policy excess or injuries you may have sustained."

Mr A said the referral wasn't made. But I can see from Aioi Nissay Dowa's file that it was sent to the legal partner, and Mr A has been provided with a copy of this referral. This company should then have contacted Mr A, but it unfortunately didn't. But I can't reasonably hold Aioi Nissay Dowa responsible for this as I think it had clearly explained to Mr A on the phone and in a letter that this company would be able to pursue his uninsured losses. I think Mr A could reasonably have called it when he didn't hear anything further.

Mr A thought Aioi Nissay Dowa had changed its solicitors as it later used a different company to recover its own outlay and some of his uninsured losses. But I don't agree. From its file, I can see that the other driver's insurer disputed liability. So, when Aioi Nissay Dowa had received an invoice for Mr A's car's repairs, it was able to instruct its own solicitors to take legal action to recover this outlay, in keeping with standard industry practice. As a courtesy to Mr A, it also sought recovery of Mr A's policy excess and his initial repairs costs. The legal company that Aioi Nissay Dowa had initially referred Mr A to was a separate company and independent of Aioi Nissay Dowa.

Mr A was initially unhappy with that there were delays in the reimbursement of his policy excess and repairs costs. I can see that when these were recovered from the other insurer, they were paid to an incorrect account. When this came to Aioi Nissay Dowa's attention, it then reimbursed Mr A even though it hadn't yet received its repayment. I think that was fair and reasonable and I can't say that Aioi Nissay Dowa caused any avoidable delays in this.

Mr A was also unhappy with the delay in closing the claim. But I can see that when Aioi Nissay Dowa had recovered its outlay it provided Mr A with a letter confirming that his NCD was unaffected by the claim. I think Mr A could show this to his current insurer so that his current premium was correctly calculated. So I can't say that having the claim still open caused Mr A any loss.

I can see that Aioi Nissay Dowa accepts that it didn't always respond promptly to Mr A's emails. And it paid him £50 compensation for this. I think that was fair and reasonable as it's in keeping with our published guidance. I don't require Aioi Nissay Dowa to do anything further.

My final decision

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

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr A to accept or reject my decision before 28 August 2023.

Phillip Berechree
Ombudsman