

The complaint

W has complained about the handling of its claim under its Complete Mini Fleet insurance policy with Allianz Insurance Plc.

W is represented by Mr M, who is a director.

I'm only considering W's complaint about the handling of the claim up to 31 March 2023 when Allianz issued its second final response letter. If Mr M wants to complain on behalf of W about what's happened after this he will need to make a new complaint.

What happened

Mr M made a claim under W's policy in November 2022 when a car insured under it rolled down the road after he parked it and collided with a bollard. Allianz allocated the car to one of its approved repairers for repair and it was booked in for repair in February 2023. Mr M contacted Allianz on 16 December 2022 to query this date, as he did not feel comfortable driving his car. The car was taken more or less straight away to the approved repairer and Mr M was provided with a courtesy car. The car was returned to Mr M on 21 December 2022, as some of the parts needed to repair it were on back order. And Allianz's repairer took back the courtesy car at this time.

Mr M complained about the service he'd received and Allianz then decided to treat the car as a constructive total loss. It issued a final response letter on W's complaint on 6 January 2023 in which it apologised for the delays Mr M had experienced and said it would pay him £350 in compensation for distress and inconvenience. It said the claim had been passed to its claims validation team for further review.

There were then further delays whilst the validation team considered the claim and Mr M made a further complaint. Allianz issued a final response on this complaint on 31 March 2023. It apologised for some preventable delays on the part of its claim validation team and said it would pay Mr W a further £200 in compensation for distress and inconvenience.

Mr M asked us to consider W's complaint in June 2023. One of our investigators did this. He said there had been avoidable delays by Allianz in the period from 21 December 2022, when its approved repairer took back the courtesy car it had provided to Mr M, and when it issued its final response on 31 March 2023. He suggested Allianz should pay W £10 per day for the loss of use of the insured car from 21 December 2022 to 31 March 2023.

Allianz did not agree with the investigator's view. It said that there was nothing in W's policy about the provision of a replacement vehicle and it was not appropriate for one to be provided once it had decided the insured car was a constructive total loss.

I issued a provisional decision on 13 November 2023 in which I set out what I'd provisionally decided and why as follows:

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've provisionally decided not to uphold it and I've explained why below. There is nothing in W's policy that says Allianz will provide it with a replacement vehicle if one of the vehicles insured under it is damaged and undriveable. Irrespective of this, if Allianz causes unnecessary and avoidable delays when dealing with a claim, I'd expect it to provide a replacement vehicle or compensate W for not having one if appropriate.

However, I do not consider it is appropriate for Allianz to compensate W further as a result of any avoidable delays in its consideration of its claim. This is because I consider the compensation it has already paid, which amounts to £550, is adequate to compensate W for any inconvenience it has experienced as a result of these delays. The delays may have caused Mr M personally some distress and inconvenience, but I can't award compensation to him personally, as his policy and complaint are in the name of W.

I do of course appreciate Mr M has said he used the insured car for W's business. But he also used it personally. And it seems it is the fact he hasn't had it for personal use, which is the main thrust of his complaint. So, not having the vehicle due to avoidable delays on Allianz's part seems to have impacted him personally more than it has impacted W.

I should also say that I consider Allianz's investigations into W's claim up until 31 March 2023 were understandable and warranted. I say this because there does seem to be some discrepancies in the versions of events Mr M has provided. And, while Allianz could have carried out its investigations more quickly, I do not think it could be expected to have agreed settlement of the claim by 31 March 2023 when it issued its final response letter.

I gave both parties until 27 November 2023 to provide further comments and evidence in response to my provisional decision.

Mr M responded to say he is not too bothered about the compensation he's received for the delays up to the point I have considered them. But he would like Allianz to provide an answer on his claim.

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.

As our investigator explained to Mr B, I cannot consider Allianz's failure to provide an answer on his claim beyond the point I set out in my provisional decision. But, if he does want us to consider a complaint about what's happened after this our investigator can help him with this.

As neither Mr B nor Allianz have provided any further comments or evidence in response to what I provisionally decided, I see no reason to reach a different conclusion in this final decision.

My final decision

For the reasons set out in my provisional decision and above, I do not uphold W's complaint about Allianz Insurance Plc.

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

Robert Short
Ombudsman