

The complaint

Mr T complains that QIC Europe Ltd (QIC) recorded a claim he made on his motor insurance policy as “fault” without pursuing the organisations he believes were to blame. References to QIC include other organisations and individuals acting on its behalf.

What happened

Mr T had motor insurance underwritten by QIC. He was driving abroad when he hit a wild animal. He made a claim on his motor insurance and, based on information he provided, QIC attempted to establish whether the highway maintenance agency or the local hunting association were responsible for keeping wild animals off the road. Unfortunately both organisations blamed the other. QIC decided it wasn’t economical to pursue litigation against them, and so the claim was recorded as a “fault” claim. Mr T wasn’t happy about this as it could mean higher premiums for his insurance in future, so he complained to QIC. QIC said it had made the correct decision in accordance with the terms of Mr T’s policy. QIC also said that this didn’t prevent Mr T from pursuing litigation privately.

Mr T wasn’t happy with QIC’s response so he complained to this service. Our investigator didn’t uphold his complaint. He said he was satisfied that QIC had given proper consideration to the claim and acted reasonably and in line with the terms and conditions of Mr T’s policy.

Mr T wasn’t happy with what the investigator said, so his complaint has been passed to me. Mr T wants QIC to change the claim status to “no fault”.

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 don’t uphold Mr T’s complaint. I’ll explain why.

Mr T’s insurance policy documents said:

“General Conditions

Claims handling

...v. We are entitled to take over, defend or settle any claim under this policy in the name of you or any other person covered by this policy and we are entitled to take legal action in any such name to recover any payments we make.”

This is a standard clause in most motor insurance policies. It means that the insurer is entitled to decide how to settle a claim. However this service would still expect the insurer to settle the claim in a fair and reasonable way. In this case, I can see that QIC did contact the highway maintenance agency and the local hunting association to try to establish whether they were responsible for keeping wild animals off the road. Both organisations said it was the other’s responsibility. The only further option available to QIC to try to establish which

organisation was responsible would have been to pursue legal action through the foreign courts. QIC decided it would not be economical to do so. I think this was a reasonable decision in the circumstances. It would have been a costly and possibly lengthy process, with no guarantee that at the end QIC would have been able to recover what it had paid to Mr T and its legal costs. In the absence of any proof that another party was at fault, I think it was reasonable for QIC to record the claim in the way it did.

So on balance I think that QIC acted fairly and reasonably and in accordance with the terms of Mr T's policy in recording the claim as "fault".

My final decision

For the reasons given above I don't uphold Mr T's complaint. So I won't be asking QIC Europe Ltd to do anything.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr T to accept or reject my decision before 12 September 2023.

Sarah Baalham
Ombudsman