

The complaint

Mr J complains that UK Insurance Limited trading as Direct Line dealt with his claim unfairly following a claim on his car insurance policy.

What happened

Mr J informed his insurer Direct Line that he was involved in a non-fault road traffic incident on 20 June 2019. He says he was led to believe this was a straightforward claim, but it went on to become far more complicated than initially suggested. He complains that :-

- He was told they had accepted the incident as non-fault in a letter dated 21 June 2019, but later looked to split liability 50/50
- They wouldn't accept any evidence he put forward and had to push Direct Line to defend the claim even though this was evidence that the court would later accept
- The customer service he received was poor
- He was told he was due a refund as his initial quotation at policy inception was wrong but received an incorrect refund amount from them.

Initially when he complained he was offered £50 compensation which he rejected as he didn't feel it was sufficient for the level of stress they'd caused him. This offer was not included when Direct Line issued their final response letter to him. To resolve his complaint, he would like an apology and to be compensated for the poor customer service he received.

In their final response letter, Direct Line say they allowed his no claims discount, and waived his policy excess at the start of the claim. They say Mr J was not owed a refund of his premium as a refund was generated at the start of his claim. They say they maintained their liability position as non-fault throughout the claim and had no choice but to issue legal proceedings in order to recover their own costs as the third party had not accepted liability. They didn't uphold his complaint, so he brought his complaint to this service.

Our investigator considered the complaint and gave a detailed timeline of events. She said they'd actively pushed the third party insurer to accept liability and, when they didn't, they had no choice but to issue legal proceedings. She couldn't see that a 50/50 settlement was ever discussed and concluded that she didn't think Direct Line hadn't done anything wrong.

Mr J didn't agree with this outcome, so this has come to me for a final decision.

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.

Having done so, I will not be upholding this complaint. I will explain why.

I considered whether Direct Line had any point changed their position on liability or communicated this after initially confirming they did not consider Mr J at fault for the accident.

In their letter to him in June 2019 saying they would deal with this as a non-fault accident, they also pointed out, *"should it later be proven that you are fully or partially at fault, your No Claims Discount may be affected at renewal, and we will contact you to discuss."* So, this did put Mr J on notice that there was a possibility that liability could be subject to change at some point. The later communications from Direct Line saying the claim was unlikely to settle on a non-fault basis simply kept Mr J informed that the third party hadn't agreed liability so it had not yet been resolved and continued to be disputed. I am satisfied Direct Line had kept him up to date on liability and clearly outlined the position to him to manage his expectations. This does not mean they had changed their liability position and no split is mentioned in this communication. Instead, I've seen clear evidence they continued to re-iterate they were supporting his version of events and continued to defend him.

The evidence I've seen shows numerous letters were sent to the third party's insurer holding their insured liable for the accident. I haven't seen anything to suggest the liability stance had changed or that they had considered a 50/50 split. There was no evidence they had written to the Third Party Insurer to make an offer, nor could I see that there was any offer received. However, given the third party had not accepted liability and this continued to be in dispute throughout, it wouldn't have been unreasonable for Direct Line to have considered a liability split or make an offer – but ultimately, no 50/50 was ever agreed.

I could also see that Direct Line wrote to him in May 2022, when legal proceedings were concluded in his favour, to confirm they had made a full recovery and that the claim had been closed with no impact to his No Claims Discount. Having reviewed their file notes in detail, I am not persuaded that any change in the liability stance was ever made by Direct Line.

Mr J's concerns around his evidence not being accepted appear to be inconsistent with the comments noted. A file note in March 2020 shows the evidence received from Mr J was considered carefully, but it also noted that it "doesn't provide us with enough evidence to pursue a claim". This suggested the evidence wasn't considered to have sufficient impact to warrant pursuing a claim. This doesn't mean the evidence was dismissed or ignored. The evidence was forwarded to the third party's insurer, who responded in April 2020 to say the evidence didn't prove anything and that they would be continuing with their witness statement.

I note Mr J raised concerns around the legitimacy of the third party's witness and I have seen that Direct Line continued to raise their concerns of the inconsistencies in the witness statement. They did follow this up and updated Mr J on a regular basis. It is clear they did take into account all the information and evidence he's provided and acted on this accordingly.

Mr J's comments in relation to the contents of the call in September 2019 are noted. However, as this call recording is not available, there is no way for me to establish what was said with any certainty. So, I have taken the approach of considering on balance what is more likely than not to have happened. The refund of his premium was generated when the claim was initially made and was noted as non-fault with no impact to the no claims discount. The evidence I have seen shows that in a call to Direct Line in May 2022, Mr J confirmed he received a refund of around £403 in September 2019. In addition to this, no further details have been provided as to why Mr J believes this amount is incorrect, or what the correct amount should be. So, on balance it is more likely than not, the correct premium refund was issued when the claim was first made.

It seems that Mr J remains unhappy that the third party insurer didn't accept liability, but Direct Line can't be held at fault for that. Ultimately, they took all reasonable steps expected

of them and were able to resolve the matter with Mr J being found 100% not at fault. I know Mr J will be disappointed with my decision but, from what I have seen, I don't think Direct Line have dealt with Mr J's complaint unfairly, nor has any wrongdoing on their part been established. As such I won't be asking them to do anything further.

My final decision

For the reasons given above, my final decision is that I do not uphold this complaint against UK Insurance Limited trading as Direct Line.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr J to accept or reject my decision before 22 August 2023.

Naima Abdul-Rasool
Ombudsman