

The complaint

Mr T complains about how U K Insurance Limited trading as Direct Line (“UKI”) decided liability for a claim on his motor insurance policy.

What happened

Mr T had a motor insurance policy with UKI covering his car.

In November 2022 he was involved in a collision with a third-party vehicle. Mr T made a claim and he said the other driver was at fault for the collision.

Mr T has said he was happy with the way his claim was initially dealt with.

UKI told Mr T that in its experience it was likely he’d be held responsible for the collision.

Mr T wasn’t happy about this decision. He complained to UKI. UKI didn’t uphold his complaint because Mr T couldn’t provide it with any further evidence about why the third party might be responsible.

He remained unhappy and brought his complaint to this service. Our investigator looked into Mr T’s complaint and thought it wouldn’t be upheld. She said she thought UKI had acted fairly in deciding liability for the collision.

Mr T didn’t agree with the view and asked that his complaint was reviewed by an ombudsman. So it has been passed to me to make 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.

I appreciate this will be a disappointment to Mr T, but I’m not upholding his complaint. I’ll explain why.

It’s this service’s role to see if UKI acted fairly and reasonably in how it assessed liability for the collision. It’s not our role to assess the collision itself and establish liability.

It’s my understanding that the damage to Mr T’s vehicle supports his version of events, in which he says the third party undertook him, then moved across his path, resulting in a collision meaning his car was damaged to the front nearside corner.

But it’s also my understanding from UKI’s evidence that the damage also supports the third party’s version of events in which Mr T turned right out of a side road without verifying the carriageway he was turning onto was clear and leading to the collision.

UKI asked for further evidence about the collision, such as a dashcam or CCTV, but none was available.

Mr T has said he has extensive driving experience and has never made a claim. And I think he's to be commended about this.

But UKI has extensive experience in dealing with collisions. It's said it's likely that if this reached court, then Mr T would likely be found at fault. Mr T has said he'd expect UKI to investigate the collision more effectively than it has. But UKI has a responsibility to mitigate its costs by not allowing claims like these to escalate to court. So, paying fees or charges to obtain further external evidence is only likely to happen if UKI thinks it will result in a more favourable outcome in terms of liability.

I know Mr T feels particularly strongly about this. But UKI's policy wording enables it to:

"Take over and carry out the negotiation, defence or settlement of any claim in your name, or in the name of any other person covered by this policy."

This type of wording is common in the industry and I think its use is fair.

This type of wording is common in motor insurance and I don't think it's unreasonable of UKI to use it here. What this wording means is that it can proceed to handle Mr T's claim as it wishes. I understand Mr T feels particularly aggrieved about this, but I'd emphasise that UKI's actions are in line with the policy wording.

I understand Mr T's frustrations with this, and I have read about his distress. But I don't think UKI has acted unfairly in how it has approached and decided liability for the collision.

My final decision

For the reasons set out 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 T to accept or reject my decision before 16 January 2024.

Richard Sowden
Ombudsman