

## **The complaint**

Mr U is unhappy that Wakam settled a claim a third party made against his private hire motor insurance policy.

## **What happened**

In 2023 Mr U became aware that Wakam had settled a third-party claim made against his private hire motor insurance policy relating to an alleged incident dating back to 2019. He discovered the claim had been settled in 2023 when obtaining alternative renewal quotes.

Mr U denies involvement in the 2019 incident, and he is unhappy that Wakam settled the claim without his permission. So, Mr U complained to Wakam and asked for the claim to be removed from his records as this was impacting insurance quotes and prices with other providers.

Wakam didn't agree to remove the claim and explained that based on the information they received about the 2019 incident, including information from the Police, they'd taken the decision to settle the third-party claim.

As Mr U remained unhappy, he approached this service.

One of our investigators looked into things but she didn't uphold the complaint. She didn't think Wakam had unfairly settled the claim based on the information they held relating to the alleged incident.

Mr U didn't agree, and the case was passed 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, and whilst I appreciate it'll come as a disappointment to Mr U, I've reached the same outcome as our investigator.

My role here isn't to decide whether Mr U was responsible for the incident that occurred. Instead, my role is to decide whether Wakam reached a reasonable conclusion to settle the third-party claim based on the information they held.

Wakam initially contacted Mr U for information about the incident including images of his vehicle, but these weren't provided. And when Wakam chased this, Mr U had sold his vehicle so was unable to provide any images. Wakam explained that they would need to await further information from the third party before considering the allegations and claim further. And based on the information Wakam then received, they settled the claim.

Mr U maintains he wasn't involved in the incident. And he has provided a letter from the Police which he says shows this as the Police said they weren't instituting proceedings

against anyone involved. However, whilst this says they weren't instituting proceedings, this doesn't say that Mr U wasn't involved.

In contrast to Mr U's assertions, Wakam received confirmation from the Police (via the third party) that Mr U had responded to their previous correspondence and confirmed he was the driver at the time the incident occurred. So, Wakam said they wouldn't be able to defend the claim on the basis of non-involvement. With this in mind, whilst Mr U says he wasn't involved, I don't think Wakam reached an unreasonable conclusion to settle the claim based on the information they received.

Whilst I also acknowledge Mr U says he is unhappy Wakam settled the claim without his permission, the terms of the policy explain that Wakam can decide whether to settle or defend a claim. And based on the information Wakam had in support of the third-party claim, including confirmation from the Police that Mr U was the driver at the time, I don't think Wakam acted unreasonably by settling the third-party claim.

### **My final decision**

It's my final decision that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr U to accept or reject my decision before 30 January 2024.

Callum Milne  
**Ombudsman**