

The complaint

Mr S complains that U K Insurance Limited (UKI) didn't do enough when trying to trace the other driver, following an accident, leading to him having a fault claim registered against his policy and leaving him out of pocket.

What happened

A foreign lorry struck Mr S' car while on a roundabout. Mr S pulled over, but the other driver didn't. Mr S chased and caught up with the other driver further down the road but due to the language barrier they didn't exchange details. Mr S did get the registration of the lorry and the name of the company he says the lorry belonged to.

Mr S called UKI and gave them the details he had and registered his claim. Mr S said that the lorry was Polish, he also said that he did not believe he was at fault for the accident.

UKI explained that it maybe difficult with such a little amount of information to try and trace the other driver, but it would contact the Motor Insurers' Bureau (MIB).

UKI found that Mr S had some motoring convictions it was unaware of and so it didn't begin dealing with Mr S' claim until it had resolved this matter with him. Once this had been addressed UKI contacted the MIB to help trace the lorry driver. The MIB told UKI that it had been unable to trace the vehicle based on the information provided, it also told UKI the Polish Bureau had told it this vehicle was not registered in Poland.

UKI found the company that Mr S had said the lorry belonged to and sent an email via its website to ask it to provide insurance details. The company didn't respond.

In the meantime, UKI dealt with the repairs to Mr S' car, he opted to use his own garage and paid the excess due.

As UKI was unable to recover the cost of the claim from any other party, the claim was recorded as a fault one against Mr S' policy.

Mr S complained to UKI he felt it was unfair that he had to pay an excess and have a fault claim on his policy when he wasn't to blame for the accident. He said he felt UKI could've done more to deal with matters and should've contacted both the UK and Polish police forces to help to resolve this.

UKI didn't agree it felt it had done everything it needed to and said the claim would remain a fault one. Mr S was unhappy with this and so brought his case to this service.

The investigator didn't uphold Mr S' case, he felt that UKI had acted fairly when dealing with the claim. Mr S disagreed and so the matter has been passed to me to decide.

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.

Although I've read and considered the whole file, I'll keep my comments to what I think is relevant. If I don't comment on a specific point, it's not because I haven't considered it, but because I don't think I need to comment on it in order to reach the right outcome.

The undisclosed motoring convictions issue did not form part of Mr S' complaint and so I have not considered this as part of my decision.

I understand Mr S' strength of feeling that he was not to blame for the accident, and feel it might be helpful to explain here, the term fault in an insurance claim does not refer to blame. It means an insurer has not been able to recover the cost of the claim from any other party, which in this case it hadn't been able to as it was unable to trace them.

My role here is not to determine where liability rests in a claim, but to make sure that the insurer has acted fairly when deciding to accept liability or record a claim as a fault one. In this case it comes down to if UKI did enough to trace the foreign driver, and I think it did, I'll explain.

I think it's important to set out here, for Mr S' benefit, that when there is an accident with a foreign vehicle, insurers pass the details to MIB and they in turn provide details of the foreign insurer's UK agent. It's this agent that the UK insurer (in this case UKI) then deals with to settle the claim. This is standard practice across the motor insurance industry.

In order to trace the vehicle and insurer the MIB needs various information, the more information it is provided with the easier it is to trace the vehicle. UKI provided MIB with all the information it had but unfortunately this wasn't enough to trace the vehicle.

UKI tried to contact the company that Mr S said the lorry belonged to, but it didn't engage, leaving UKI no alternative but to deal with the claim under Mr S' policy.

As the MIB told UKI the lorry was not registered in Poland, it could mean Mr S made a mistake when taking down the registration number or that the lorry wasn't Polish and was in fact from another country. There was no other information available to UKI to help in tracing the lorry and so I don't think it could be reasonably expected to do more than it already had.

Based on this I think UKI acted fairly in closing the claim as a fault one as it had no real prospect of recovering its costs.

As Mr S' excess is an uninsured loss it would normally be something he would have to claim back from the other party, separately from the insurance claim. Although it is common for insurers offer to do this as part of the claim if they are recovering their own costs. But as there is no traceable other party Mr S will have to pay the excess as it's not something that UKI is liable for.

I know Mr S will be disappointed with this outcome. But my decision ends what we – in trying to resolve his dispute with UKI – can do for him.

My final decision

For the reasons set out above, my final decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr S to accept or reject my decision before 16 February 2021.

Amber Mortimer
Ombudsman