

The complaint

Ms G is unhappy with the way Zurich Insurance PLC (Zurich) dealt with her claim after her car was involved in an incident.

What happened

On 27 February 2019 Ms G's car was involved in an incident. Ms G contacted Zurich to report what had happened. She informed Zurich that a third party had hit her car, and drove off. She also explained there were several CCTV cameras which should've recorded what had happened.

Ms G's insurance policy explained the following in respect of uninsured drivers:

Uninsured drivers

If you make a claim following an accident and the driver of the other car is not insured you will not lose your no claims discount or have to pay any excess provided:

- *we establish that the accident is not your fault;*
- *you give us the other vehicle's make, model and registration number; and*
- *the name and address of the person driving the other vehicle.*

Zurich appointed another business (TCG) to request CCTV of the area so that they could use this to identify the third party involved in the incident.

On 6 June Zurich contacted TCG for an update. The call note for this recorded '*there is only one camera that points to the junction in question and it was determined that this camera belonged to the Council... email requested for footage to be reviewed- request was made on 21 March.*' TCG also advised that '*there would be a lengthy wait for this.*'

On 10 July TCG told Zurich '*Unfortunately the council have advised us that the incident was not captured on their CCTV.*'

Ms G's claim was recorded as a fault claim as Zurich were unable to trace the third party involved in the incident. She also lost one life of her no claims discount, and had to pay the policy excess for the claim.

Ms G complained to Zurich about the way the claim had been recorded, and the impact on her no claims discount, policy excess, and insurance premium. She was also unhappy with the delay in getting CCTV footage from the council, and said that if this had been requested sooner, the outcome of her claim may have been different. Ms G was also unhappy with a fine of £80 charged by the DVLA because of the delay in Zurich concluding her claim.

Zurich responded to Ms G's complaint on 24 March 2020. They offered £150 for the delay in contacting the council, but also explained that there was no CCTV footage available for the incident. Zurich also said that they'd compensate Ms G an additional £80 as a gesture of goodwill for her complaint about the DVLA fine.

Ms G was unhappy with this response, and so referred her complaint to this service for investigation. The investigator found that Zurich's offer to settle the complaint was fair, and didn't recommend they do anything more. Ms G didn't agree with these findings saying that the claim had been poorly managed, and that there were several cameras at the junction where the incident had happened. As the complaint couldn't be resolved it's been passed to me for 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 reviewed the evidence I agree with the investigator's findings on this complaint for broadly the same reasons. I can understand this is likely to come as a disappointment to Ms G but I hope my findings go some way in explaining why I've reached this decision.

I've focused my comments on what I think is relevant. If I haven't commented on any specific point it's because I don't believe it's affected what I think is the right outcome.

Fine with DVLA

Zurich offered to refund the cost of the £80 fine to Ms G, and Ms G hasn't made any further comments about their offer. I don't think Zurich need to do anything more to put things right in settlement of this complaint.

CCTV

Ms G feels strongly that the delay in getting CCTV from the council meant that the third party's details could not be found. As the third party couldn't be traced, the incident was recorded as a fault claim, and Ms G's insurance premium, policy excess, and no claims discount were affected.

It's not disputed that Zurich could've handled the claim more efficiently. There was a delay in chasing the council for the CCTV. Because of this delay, it wasn't until almost five months after reporting the claim that the council advised their CCTV hadn't recorded the incident.

When we find that a business has done something wrong, we look at what would've happened had things progressed the way they should've. In this case, the council advised that there was only one camera covering the area which Ms G had described as the scene of the incident. Ms G strongly disputes this. She says that there were more cameras all pointing to the area where the incident had happened. There's no way to say for certain whether there were more cameras that would've captured what happened. But I do think it was fair for Zurich to rely on what the council had told them.

From the CCTV footage that was reviewed, the council advised that *'the incident was not captured on their CCTV.'* Although Zurich should've chased the council for an update, I can't say that on balance the outcome of the claim would've been any different if they'd done this sooner. The response from the council was that their camera had not recorded the incident. So the timing of reviewing this footage wouldn't have changed what was recorded. Ms G would still have been told that there wasn't enough evidence to identify the third party.

Because of this, the impact on her policy excess, and no claims discount would've been the same as the position she's in now.

But I do recognise that the delay would've caused Ms G undue stress and frustration. If she'd been told sooner that the CCTV found by the council hadn't captured the incident, the outcome of her claim would've been the same, but it would've avoided the stress of not knowing what was happening. I think it's fair that Zurich pay Ms G compensation in recognition of the upset caused to her because of their delay in chasing the council for a response on the CCTV.

Zurich offered £150 in recognition of how they could've handled things better, and the impact on Ms G. I think this amount is fair compensation in the circumstances.

Ms G says that her insurance premium has increased because of the way her claim has been recorded. The cost of an insurance premium can vary on renewal, depending on several factors. It's often the case where the recording of an incident- fault or non-fault- can impact on the cost. So I don't think it would be reasonable to say that Zurich should refund Ms G for the increased cost of her insurance premium following the incident.

In line with Ms G's insurance policy, as the third party couldn't be traced, Ms G had to pay her policy excess, and lost one life of her no claims discount. Although I can appreciate Ms G's disappointment with this, Zurich acted fairly, and in line with Ms G's insurance policy in applying these terms. So I don't think they need to compensate for the financial impact of this. Zurich have advised that Ms G does still have nine years no claims protection.

My final decision

Zurich Insurance PLC have already made an offer to pay Ms G £230, and I think this offer is fair in all the circumstances.

So my decision is that Zurich Insurance PLC should pay Ms G £230.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms G to accept or reject my decision before 14 August 2020.

Neeta Karelia
Ombudsman