

## **The complaint**

Miss Y and Mr M complain about how U K Insurance Limited trading as Direct Line Car Insurance (UKI) has dealt with a claim made against Mr M's motor insurance policy.

This insurance policy is in Mr M's name, and Miss Y is a named driver on the policy – I have referred to both parties throughout this decision.

Any reference I make to UKI also includes its agents.

## **What happened**

In July 2019, Miss Y and Mr M received notification from a different insurer that they were going to increase the premiums on their policy because they hadn't declared that they had two separate claims outstanding against them. Miss Y and Mr M say they were surprised by this – they say they were aware of one of the claims but not the other.

Miss Y and Mr M contacted UKI and said that they weren't aware of a second claim. They were told by UKI that their car had been involved in a collision on 7 April 2019 and two separate parties were claiming on their insurance. Miss Y and Mr M maintained they knew nothing about the incident.

UKI sent a claims investigator to interview Miss Y and Mr M to find out their version of events. The claims investigator played Miss Y and Mr M a call recording from when the incident was first reported – Miss Y and Mr M say it's clear that the person who reported the incident isn't either of them – the claims investigator appeared to accept this too.

Miss Y and Mr M later found some of their own documents to support their version of events, which were invoices from a garage. The invoices were dated from the time the incident happened and so they say their car can't have been involved because it was being repaired. UKI then sent its investigator to go and speak to the garage. The garage wouldn't confirm if they had repaired the car or not and it wouldn't check the invoice. UKI later say it found evidence that the car had been spotted on a camera on the same day as the incident.

Furthermore, UKI received some photos from the third-party insurer (TPI). The photos are of Miss Y and Mr M's car, which it says was taken at the scene. There is also a photo of Mr M that was allegedly taken at the scene.

UKI settled the claim as fault. It said that it had investigated everything and thought it unlikely that a court would rule in its favour based on the evidence it had.

Miss Y and Mr M remained unhappy with this. They say they've provided much evidence to prove that they weren't involved in the incident – and nor was their vehicle. They don't feel UKI have enough evidence to prove that their vehicle was involved.

Our investigator also looked into things. They didn't think that UKI had done anything wrong when it held Miss Y and Mr M at fault for the incident. They said that UKI had done a fair

investigation, taking into account all of the evidence, and made the decision that ultimately, it wouldn't be able to defend Miss Y or Mr M in court.

Miss Y and Mr M didn't agree with our investigators view – and they made a number of points as to why. Because Miss Y and Mr M don't agree, the complaint has been passed to me to make a decision on the matter.

### **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've decided not to uphold this complaint.

There's a lot that's happened on this case – and so I have tried to keep the background of what's happened to a brief summary. I'd like to make it clear to Miss Y and Mr M that I have read and considered all of the information provided by both parties, in reaching my decision. If I've not mentioned something in this decision, it's not because I didn't see it, it's because I didn't deem it relevant to the crux of the complaint. This isn't intended as a discourtesy, but to reflect my informal role in deciding what a fair and reasonable outcome is. This also means I don't think it's necessary to get an answer, or provide my own answer, to every question raised unless it's relevant to the crux of the complaint.

It isn't my role to determine who was at fault for the collision; that would be a matter for a court of law. What I'm deciding is whether UKI has acted in accordance with the terms and conditions of the policy and whether it has dealt with the claim fairly.

In line with most insurers, the policy says that UKI can take over the settlement of the claim. So, it can decide whether to defend a claim or settle it - or it can decide whether it is prepared to defend Miss Y and Mr M if the matter went to court. Court proceedings can be expensive and the outcome can't be guaranteed, so insurers will consider the costs involved and the likelihood of success in making these decisions. That might mean UKI makes a decision Miss Y and Mr M disagrees with, as has happened here.

I can understand why Miss Y and Mr M would be upset about being held liable for a collision they say they weren't involved in, let alone at fault for. While I can't make a decision as to whether Miss Y and Mr M were involved in the incident or not, I have looked to see if UKI have acted fairly in deciding how to settle matters and I've checked it has made a reasonable assessment of the claims made against the policy.

Looking at what's happened, I think UKI has settled this claim fairly and in line with the terms and conditions of the policy.

This is an unusual case. Miss Y and Mr M are adamant that neither of them nor their car was involved in this incident. They've said UKI hasn't ever taken their statement or asked them what they saw or witnessed. But UKI did send round a claims investigator who took a statement from them. They both confirmed they knew nothing of what happened. So I can't agree that they weren't given an opportunity to give their side of the story.

Based on the claims investigator's report, it appears to have been accepted by UKI that someone else impersonating Mr M and his son, contacted UKI to report the incident, and changed the phone number and email address on the policy to details unknown to Miss Y and Mr M. I doesn't appear this point is in dispute, but I don't think this alone means that UKI has done something wrong when settling the claim.

Miss Y and Mr M has provided UKI with invoices from a garage to show that the car was in for repairs at the time of the incident. Miss Y has also shown UKI text messages from her phone at around the time of the incident to show she wasn't in possession of the car and that it was in the garage for repairs.

Because of the evidence provided by Miss Y, UKI sent an investigator to the garage that was named on the invoices. The person at the garage refused to confirm his identity, his role at the garage, whether or not he remembered the repair work carried out and wouldn't looked at the invoice for the repair work that was presented to him by the investigator.

Ultimately, the garage refused to give any statement in relation to what happened. Without a statement from the garage, I think it would be difficult for UKI to be more certain than not that the car was in for repairs when the incident took place. I've looked at the invoices provided by Miss Y and Mr M, I note that these are for around the time of the incident. But while I appreciate Miss Y has provided text messages to show the car was in for repairs, I don't think these messages or the invoices necessarily place either her, Mr M or the car at the garage when the incident happened.

In addition to this, UKI did a search on the car's number plate and found that the car had been spotted on a camera in the same city that Miss Y and Mr M reside, on the day of the incident. And this was a different city from where the garage was, at least a few hours' drive away. So it seems that, even if the car was in the garage for repairs, it hadn't been there for the entirety of the incident date.

Miss Y and Mr M say that there is contradictory information relating to this point. They've said that UKI told them that the police had seen their car on camera on the day of the incident. Miss Y and Mr M have checked this with the police who have confirmed that they have no record of their car on camera. I haven't seen anywhere that confirms UKI told Miss Y or Mr M that it was the police who had spotted the car. UKI has done its own search called an 'Automatic Number Plate Recognition Check' and found that a car with Miss Y and Mr M's registration plate was spotted in a different area to where they say they had taken their car for repairs, around four hours prior to the incident. I haven't seen that UKI involved the police in this process, and so it's likely the police aren't aware of this information. I don't draw anything negative from the police not being aware of this.

UKI were sent photos from the third party (TP) solicitor. These photos are allegedly from the scene of the incident and show Mr M's car very close to the TP car. There's also a photo of Mr M which has been taken at quite close range – again, alleged to have been taken at the incident. Mr M agrees that this photo looks like him, but says it doesn't place him at the incident and he has no idea how the TP has got hold of these photos.

I accept, there are some unusual, and difficult to explain circumstances surrounding this case. But ultimately, UKI have seen photos of Mr M and his car, provided by the TP – which suggests that he was at the scene of the incident. UKI say that given the evidence available on this case, it would be unlikely that it would win a court case in defence of Mr M. And so it accepted liability and settled the claim as fault against him. I don't find its decision to do this to be unreasonable based on the evidence it has been able to gather.

I'd like to thank Miss Y and Mr M for taking the time to respond to our investigators view. I've read all of their comments in response to this, and I know they feel strongly about the claims made against them. But my investigation is solely based on whether UKI did enough to investigate what happened and fairly settle the claim. And for the reasons I've already set out above, I think it has.

## **My final decision**

For the reasons set out above, I don't uphold Miss Y and Mr M's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr M and Miss Y to accept or reject my decision before 9 July 2021.

Sophie Wilkinson  
**Ombudsman**