

The complaint

Mr T complained that AXA didn't properly investigate his claim under his motor insurance policy, and this caused him financial loss.

What happened

Mr T's car was parked in a supermarket car park when it was damaged by another car whose driver (the third party) left the scene without leaving their details. Mr T felt that AXA delayed in trying to get the supermarket's CCTV footage of the incident to identify the third party's car registration and took too long to arrange his car's repair. He was also unhappy that AXA put his premium up and that he had to pay the £350 policy excess. He felt that this was unfair when the accident wasn't his fault.

The investigator didn't recommend that Mr T's complaint should be upheld. He thought that AXA had done what they could to get the CCTV footage, but in any event the police had seen the footage and said that it didn't confirm the third party's vehicle registration. So he thought that AXA had assessed the available evidence fairly and that they hadn't acted unreasonably overall.

Mr T didn't agree, and so his case 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.

As the investigator has explained to Mr T, our role in complaints of this kind is simply to investigate whether an insurer has acted fairly and reasonably, and in line with their policy's terms and conditions.

Mr T felt that from when he first reported the incident, AXA didn't deal with the matter properly or investigate it quickly enough. He told AXA that there was CCTV footage of the car park incident. But AXA didn't get it before it was no longer available from the supermarket. Mr T felt that AXA had delayed there and that was why they couldn't identify the third party. But I've read AXA's file from the start and I can see that AXA did ask the supermarket for the CCTV footage within a reasonable time after Mr T reported the incident. And when it wasn't made available to them, they asked the police, who did have a copy of the CCTV footage of the incident.

The police confirmed to AXA that the quality of the footage wasn't good enough quality for them to make out the third party's vehicle registration and so the police couldn't do anything more. I think that AXA were entitled to rely on the police's confirmation.

But Mr T felt that if AXA had obtained the CCTV footage more quickly, or had told him earlier that the police couldn't identify the third-party registration from that footage, that because he and his partner both worked for the supermarket company, he could have got a better copy of the footage from the supermarket and so would have identified the third party's vehicle

registration. But I don't think that it's fair to assume, as Mr T has assumed, that he would definitely have been able to get a better copy of the footage and also that it would have conclusively identified the third party. Given that AXA checked with the police, who had looked at the CCTV footage and confirmed they couldn't identify the third party's registration, I think that AXA did all they reasonably could from outset to try to identify the third party and to obtain reasonable evidence of what happened.

Mr T also said that AXA took too long to repair his car and that this meant he drove it damaged for weeks, which inconvenienced him and his family. But AXA said that they thought Mr T didn't want to make a claim under his policy right away but wanted to wait to see if the third party could be identified first. So that was why they hadn't offered to repair his car earlier. I see that AXA's file notes from when he reported the incident confirm this. And I don't think it was unreasonable in those circumstances for AXA to think that before claiming under his policy Mr T might want clarity about whether the third party could be identified, as otherwise there would be a claim on his insurance record but no one to recover against. But when Mr T complained and clarified that he did want to go ahead with the car repair, AXA did arrange for his car to be repaired, so I don't think there was any unreasonable delay on their part there.

Mr T is also unhappy about having to pay his excess, and about AXA increasing his premium. But as the investigator explained, he agreed to pay his excess when he took out the policy. A policyholder always has to pay their own policy excess on any claim, regardless of who is at fault. They may sometimes try to recover that uninsured loss from the third party or their insurer, but that may not always be possible, particularly when, as here, the third party and/or their insurer are unknown. In this situation it's also normal for an insurer to record the claim as fault, even if it wasn't the policyholder's fault, as it shows that the insurer's costs of paying the claim were not recoverable. And any claim on a policy, again even if the incident wasn't the policyholder's fault, can cause a premium increase at renewal. This is because any claim affects the insurer's decision as to the risk of insuring the policyholder. That's not something that we become involved in, as it's a matter for the insurer's commercial judgment.

I do think that it's unfortunate that the third party responsible for the damage to Mr T's car can't be traced, as it means that Mr T is out of pocket through no fault of his own. And I can see it's been frustrating for him. But I don't think that the situation was AXA's fault either, and so I don't require them to do anything else.

My final decision

For the reasons I've given above 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 T to accept or reject my decision before 1 October 2021.

Rosslyn Scott
Ombudsman