

The complaint

Mr S complains about the repudiation of his motor insurance claim by Skyfire Insurance Company Limited.

Skyfire are the underwriters (insurers) of this policy. Much of this complaint concerns the actions of their appointed agents (the interviewing agent). As Skyfire accept they are accountable for the actions of their agents, in my decision, any reference to Skyfire should be interpreted as also covering the actions of their appointed agents.

What happened

The background to this complaint is well known to Mr S and Skyfire. In my decision, I'll focus mainly on giving the reasons for reaching the outcome that I have.

Mr S had a motor insurance policy with Skyfire. On 30 May 2023, Mr S was involved in a road accident. He notified Skyfire and admitted fault. Skyfire received a third party claim and looked into the accident, including an interview with Mr S. In his signed witness statement, Mr S declared that the third party driver wasn't personally known to him.

Skyfire ultimately repudiated the claim, citing the policy terms. They said further investigation showed that Mr S and the third party driver were both involved in running a limited company. Mr S raised a complaint and as he remained unhappy with Skyfire's response, he referred it to our Service for an independent review.

Our Investigator didn't recommend that the complaint be upheld and as Mr S remained unhappy, his complaint has been 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.

Our Service is an alternative, informal dispute resolution service. Although I may not address every point raised as part of this complaint - I have considered them. This isn't intended as a discourtesy to either party – it simply reflects the informal nature of our Service.

My decision will consider whether or not Skyfire have fairly investigated the circumstances of the claim and the evidence provided, in line with the policy terms before repudiating the claim.

The key evidence here is the signed witness statement dated 17 July 2023. Mr S signed to confirm:

'I do not know any of the persons described personally but I have seen the driver around the neighbourhood'.

Skyfire identified that both Mr S and the third party driver were both the only directors of a

limited company. I don't find Mr S' testimony that he didn't know the third party driver to be credible.

Companies House records show Mr S was appointed a director in February 2022 and the third party driver in December 2022. It doesn't seem plausible that no communication would have taken place either prior to December 2022 or whilst the third party became involved in the company. He's told us that the other driver was his 'business partner' and he didn't know him personally. But when I've considered the size of the company, I'm satisfied that even a reasonable interpretation and application of 'personally' known would have resulted in Mr S clarifying the nature of his business relationship with the third party driver. It seems unlikely that Mr S would be in business with someone and not have had either at least some face to face, verbal or written communication with them.

Mr S has told us that he attempted to provide context for his knowledge of the third party during the interview, but *'it appears that this crucial detail was either overlooked or not adequately considered'*. Mr S also alleges the interviewer (Skyfire's appointed agent) was dishonest, coercive, manipulative and corrupt. I've seen no sufficiently persuasive supporting evidence to allow me to conclude, on balance, that Mr S' account undermines the evidence presented by Skyfire.

I've also kept in mind that should Mr S' interview experience have been as he described, I'd have reasonably expected him to have raised this with Skyfire shortly afterwards, or he'd have sought to clarify the statement he signed. But there's no evidence that he did. Instead, Mr S has signed a witness statement underneath the declaration:

"I believe that the facts stated in this witness statement are true. I understand that proceedings for contempt of court may be brought against anyone who makes, or causes to be made, a false statement in a document verified by a statement of truth without an honest belief in its truth."

Mr S has said the interviewer manipulated the situation, psychologically tricked him and did not allow him to elaborate on his relationship with the third party. I'm not at all persuaded by this argument. Importantly, in their letter dated 5 September 2023 (following the interview), Skyfire gave Mr S a fair opportunity to clarify his knowledge of and relationship with the third party driver. In his response dated 13 September 2023, Mr S said:

"However, it is crucial to emphasise that my acknowledgment of having seen the driver did not imply a personal relationship or acquaintance with him. The statement was made in good faith to convey my lack of personal familiarity with the individuals involved."

Mr S did not refer to any of his concerns about the interviewer in this response.

Summary

When I've considered the overall evidence in this complaint – primarily the circumstances of the accident, the evidence given by Mr S and the investigation undertaken by Skyfire and the fair opportunity afforded to Mr S to clarify the situation, I don't seek to interfere with the decision to repudiate this claim. I don't find that Mr S has been treated unfairly by Skyfire whilst they considered his claim or that they've unfairly applied the policy terms.

My decision will disappoint Mr S, but it brings to an end our Service's involvement in trying to informally resolve his dispute with Skyfire.

My final decision

My final decision is that I don't 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 1 April 2024.

Daniel O'Shea
Ombudsman