

The complaint

Mr P complains about Royal & Sun Alliance Insurance Limited's ("RSA") liability decision when handling his claim under his car insurance policy. He also complains about their decision not to take action against an unregulated company he says was involved in the claim and about their communication with him.

What happened

The background to this complaint is well known to the parties, so I won't go into too much detail but will summarise the key points. Mr P was involved in an accident which he reported to RSA. Mr P had concerns about the accident circumstances, in particular, he felt the third party had braked heavily so he was suspicious this might've been a fraudulent claim. Mr P was also concerned about the involvement of an unregulated accident management company ("AMC").

Mr P complained that RSA weren't taking his concerns seriously and, despite his suspicions about the accident circumstances, RSA decided to settle the third-party claim. Mr P also complained about how he'd been treated during phone calls with RSA and about misinformation he'd been given about providing evidence.

RSA didn't provide a complaint response, but they did address all complaints in communication with our service. RSA didn't uphold the complaint about their liability decision, or about not taking action against the AMC. They also felt their staff had acted professionally in calls with Mr P and they found no evidence their staff had tried to view Mr P's online profile on a social platform. RSA accepted Mr P had been given incorrect information about the timeframe to provide evidence and they also didn't fully respond to all points raised in an email from Mr P. So, RSA offered £150 compensation.

Our investigator looked into things for Mr P. She thought RSA had made an error in their communication with Mr P and agreed the compensation of £150 was fair. Mr P disagreed so the matter has come to me for a 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 done so, I've decided RSA's offer is a fair way to resolve matters. I understand Mr P will be disappointed by this but I'll explain why I have made this decision.

My role requires me to say how a complaint should be resolved quickly and with minimal formality and so I'll focus on what I consider to be the crux of the complaint and the main areas of dispute. I think it's important to add, I won't be commenting on every event during the claim and complaint process, instead I have taken a broad approach to the overall service provided. I think it's also important for me to point out that I have considered Mr P's request for a phone call prior to making a decision. Given that I have all the relevant information I need to make a decision, I don't believe it's necessary in the circumstances to

speak with Mr P. I do wish to reassure Mr P no discourtesy is intended, but I don't believe there are any areas of Mr P's complaint which require any further clarification.

Liability decision

I understand Mr P is concerned RSA accepted liability for the accident and the claim has therefore been treated as a fault claim.

My starting point is Mr P's car insurance policy booklet. This sets out the terms and conditions and, under a heading 'Taking over your rights' it says in relation to claims, "*...you must be prepared to take any steps we ask you to take to protect your rights. You must also be prepared to allow us to act in your name...This may mean that we defend or settle the claim in your name.*"

When an accident occurs, it's the insurer who'll decide how the claim should be settled - this includes determining which party was at fault. An insurer might choose to accept liability, propose or agree to split liability, or choose to defend any allegation of liability. While this decision rests with an insurer, and it's not the role of our service to decide who is at fault for an accident, we can look to see whether an insurer has handled the claim in a fair and reasonable manner. So, although the terms and conditions allow RSA to decide liability in the claim made against Mr P, I've looked into how and why RSA reached their decision and the evidence and arguments they considered before making a decision.

I can see, at the point RSA made their decision on liability, they took into account Mr P's testimony, the third party's account of events, and the third party's dashcam footage. The third party's forward facing dashcam footage shows the car in front brakes and the third-party then slowing down. There is then the sound of an impact. There's also rear facing dashcam footage from the third party which shows a car colliding with the rear of the third party's car. RSA then accepted liability on a without prejudice basis. So, considering the information RSA had at the time and what this showed, I don't think they've acted unfairly in admitting liability for the accident. They've relied on evidence in the form of dashcam footage which supports the third-party's account of events. I can see Mr P says it hasn't been proven that the third party's dashcam footage hasn't been doctored. I acknowledge Mr P's point, but the accident circumstances shown by the third party's dashcam footage is consistent with what's shown by Mr P's dashcam footage, so I'm not persuaded there's any evidence which brings into question the reliability of the third party's dashcam footage.

That said, I do acknowledge that RSA were aware Mr P had his own dashcam footage, yet a decision was made prior to reviewing this. I do understand why this concerned Mr P but, as mentioned above, I believe the evidence RSA did consider when arriving at their liability decision was reasonable and sufficient in the circumstances. I can also see RSA did make it clear to the third party that liability was being accepted on a without prejudice basis in order to protect Mr P's position should any evidence come to light later. I think it's also important to add Mr P did then later provide his own dashcam footage and RSA considered this but found that it didn't change their view on liability. Having viewed Mr P's dashcam footage, I don't think RSA have acted unfairly in maintaining their liability admission as it supports what's shown by the third party's dashcam footage.

I acknowledge Mr P has concerns about the accident circumstances, and in particular, it being fraudulent. I understand Mr P believes RSA didn't take his concerns and suspicions seriously and he feels this was down to discrimination. But the information shows they did refer Mr P's concerns to an internal department to look into this. And, having done so, they didn't find any evidence of there being fraudulent circumstances involved in the claim. So, I think, by making such a referral, RSA have demonstrated they have acted on Mr P's concerns, and I've seen no evidence they discriminated against him. I'm further persuaded

RSA haven't acted in a discriminatory manner as the information shows their decision is based on evidence. And, having considered the dashcam footage myself, I don't think RSA have acted unfairly in not challenging the third party about the accident circumstances.

Concerns about unregulated AMC

I can see Mr P has concerns about the involvement of an unregulated AMC. I think it's important to make the point, our service can't look into any service issues here as the AMC haven't acted for Mr P. So, given Mr P isn't an eligible complainant, our service can't consider any service-related issues against the AMC.

That said, I can see Mr P is concerned about the involvement of an unregulated company in a claim and also operating within the insurance industry. I've listened to phone calls between Mr P and RSA and also seen Mr P's emails to RSA where he raises concerns about this. It's not unusual or uncommon for a party to appoint an AMC as opposed to going through a claim on their policy. In such cases it's the AMC that will deal with any claim repairs. In this case though, I can't see RSA actually corresponded with the AMC. The information shows the claim was made directly by the third party and all communications in settling the claim were between RSA and the third party.

So, given RSA had no involvement with the AMC when handling the claim, they say it was Mr P's responsibility to refer any concerns to any relevant authorities. I can see this was also discussed with Mr P during a phone call. So, given there was no engagement between RSA and the AMC, and no evidence that RSA were aware of any fraudulent activity being carried out by the AMC in this claim, I don't think it was unreasonable for RSA not to have taken any further action.

Communication issues

I can see Mr P has specified certain calls where he believes call handlers were unhelpful and unprofessional. I've listened to the calls Mr P has referred to and it's clear Mr P was very concerned about there being fraud involved in the claim and about an unregulated AMC being connected with the claim. But I can't say the call handlers were unhelpful or unprofessional. During the calls, the call handlers listened to Mr P's concerns and provided information on the position. For example, during a call with the claim handler, they explained liability had been admitted but they would revisit liability should Mr P present any evidence which challenges the evidence they've seen from the third party. So, I think the claim handler was trying to assist Mr P in relation to the position with the claim. I acknowledge Mr P did also raise issues about why the involvement of an unregulated company didn't appear to be concerning for RSA, but I think the claim handler was trying to assist Mr P by explaining the steps they'd taken in relation to this and why they wouldn't be taking any further action on this.

The information shows Mr P was also concerned about a phone call with a call handler on 22 November 2023. Mr P says he feels this call was unnecessary. I've listened to this call and the call handler explained they were phoning as a courtesy to confirm receipt of Mr P's dashcam footage and also noted Mr P had made a complaint about the service as well as the liability decision and this would be passed to the complaints team.

There is then a discussion about the AMC and the call handler explained they understand Mr P's concerns but as they aren't a party to the claim RSA won't look into them. I acknowledge this call left Mr P frustrated, but I can't say it was unreasonable in the circumstances for RSA to acknowledge receipt of Mr P's evidence and also provide an update on the position with his complaint.

There's no dispute about the part of Mr P's complaint relating to the timeframe to provide his evidence and about RSA not responding to his email. RSA accept they got things wrong by giving conflicting information about the timeframe for Mr P to provide evidence. I can see RSA contacted Mr P to say they intended to admit liability and he had 14 days to provide any evidence to show the third party was at fault. Mr P called to clarify the timeframe and the call handler incorrectly explained it was 14 working days, as opposed to 14 calendar days. RSA also accept they got things wrong by not responding to all points raised by Mr P in his email of 2 November 2023. RSA say a number of points raised by Mr P about how RSA intended to investigate the claim weren't relevant to the claim circumstances, but they acknowledge they should've clarified which points had no relevance to the claim.

So, I think it's right that RSA should compensate Mr P for the confusion and inconvenience caused. Taking into account the impact on Mr P, the duration of that impact and there being no wider impact on the overall claims handling and settlement, I think the £150 compensation offered is fair and reasonable in the circumstances.

Viewing Mr P's online profile

I can see Mr P believes staff at RSA viewed his online profile on a social platform and that they did so with a view to voiding his policy. RSA have referred to the investigation they carried out into this, which involved checking with different departments who'd been involved in the claim to determine if they'd viewed Mr P's online profile. RSA say they found that no department or individual staff member had viewed this. They also say their systems don't show any note suggesting Mr P's policy had been flagged for avoidance.

Mr P has contacted the relevant website to see if he's able to obtain any evidence of viewing history or trail showing who has viewed his profile and when. But I can't see Mr P has provided any evidence of this. So, I can't say RSA have acted unfairly here.

Complaint handling

I understand Mr P is unhappy that RSA didn't respond to his complaint. Complaint handling isn't a regulated or other covered activity. So as a general rule, and in line with the law, if the complaint is solely about complaint handling, we wouldn't be able to look into things. Where complaint handling forms a part of a customer's complaint, then we can take into account complaint handling when looking at the overall customer experience. In this case, I can't say the issues which Mr P raises about the complaints handling are an extension of the issues which relate to regulated activities, so I can't look into the complaint handling part of the complaint.

Mr P has raised concerns about RSA discriminating against him based on his race. I have carefully reviewed RSA's actions here including their communication with Mr P, their liability investigation and their overall claims handling. But I haven't seen any evidence they've discriminated against Mr P based on his race, or that they've treated Mr P differently to any other customer. I can see Mr P raises a number of areas where he feels RSA's claim investigation was insufficient as well as points he feels they should've probed and challenged further. But, as I've mentioned above, I think the investigation carried out by RSA was fair and reasonable in the circumstances to reach their liability decision.

I understand why Mr P has complained, and I hope he feels reassured that I've carefully considered all information in the matter, but I can't say RSA have acted unfairly in relation to deciding liability or in the approach they've taken regarding the AMC. I agree errors have been made in their communication with Mr P and, for the reasons I've explained, I think £150 compensation is fair and reasonable in the circumstances.

I can see Mr P has made extensive representations about the claim circumstances and all parties involved in the accident, the third party's repair claim and the claims handling. I wish to reassure Mr P I've read and considered everything he has sent in, but if I haven't mentioned a particular point or piece of evidence or addressed a specific representation, it isn't because I haven't seen it or thought about it. It's just that I don't feel I need to reference it to explain my decision. This isn't intended as a discourtesy and is a reflection of the informal nature of our service.

Putting things right

I've taken the view that RSA have made errors in their communication with Mr P. So, RSA should pay Mr P £150 compensation, if they haven't done so already.

My final decision

My final decision is that I uphold the complaint. Royal & Sun Alliance Insurance Limited must take the steps in accordance with what I've said under "Putting things right" above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr P to accept or reject my decision before 22 April 2024.

Paviter Dhaddy
Ombudsman