

The complaint

Mrs B and Mr B complained about AA Underwriting Insurance Company Limited's actions when they claimed under their motor insurance policy.

What happened

Mrs B was driving their car when it was damaged in a collision with a third party vehicle, a bus. She said it was the third party's fault. AA declared that their car was uneconomical to repair and paid them an amount for its market value. However AA treated the matter as Mrs B's fault. Mrs B and Mr B were unhappy about that. They said that AA wrongly relied too much on a recording of the third party's dashboard camera footage and didn't obtain CCTV footage of the accident location which they felt would have supported their case. They were also unhappy that AA didn't give them a courtesy car. They wanted compensation for this and to clear Mrs B's name of the fault claim on her insurance history.

The investigator didn't recommend upholding the complaint. She thought AA had acted reasonably and in line with Mrs B and Mr B's policy. Mrs B and Mr B didn't agree and so I've been asked 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 explained, in cases regarding liability we're unable to decide who was at fault for the incident. What we have to look at is how AA have reached their decision on liability and whether they've done so in a fair and reasonable way. We also need to make sure that AA has acted within the terms and conditions of the policy.

On page 25 of Mrs B and Mr B's policy document AA say that they can take over and defend or settle any claim under the policy. This means that AA have the final say on the matter. If Mrs B and Mr B wish to be insured with them, they are agreeing to this term. It isn't an unusual term and it's one that we consider to be fair. Having said this, for AA to rely on this term they have to show that they've acted in a fair and reasonable way and have considered the evidence that been provided to them and decided objectively.

Mrs B says that the bus driver was learning with an instructor, and that he admitted liability at the scene. I can see why that might be frustrating for Mrs B and Mr B, but third party insurers are entitled to take an overview of the evidence after the event and are not bound by what their insured might say at the scene. I've not seen independent evidence that the third party driver was a learner, but even if that were so, that wouldn't necessarily affect liability. I see that Mrs B and Mr B have complained to the bus company. but this Service cannot comment on that. We can look only at AA's actions.

Mrs B and Mr B thought that AA should have obtained CCTV footage from the roundabout where the accident happened. They felt that it would have supported their view about what happened and who was at fault. Mrs B felt AA had ignored her views and statement and had

accused her of lying. She also felt that her driving had been criticised and this affected her confidence. Mrs B and Mr B felt AA hadn't tried hard enough to clear her name, and the fault claim had increased their premiums and she didn't think this was fair.

Mrs B and Mr B think that the CCTV footage would support their account of events. But there's no guarantee that CCTV footage would've been available at the location of the incident, or that if it were, it would've shown the incident, or that it would have shown that the third party was at fault. It's not unreasonable for AA to take a decision about the extent to which they seek and obtain evidence. Even if CCTV footage had been obtained, I don't think it's likely to have changed AA's view given the evidence they had. AA thought that the third party evidence was so strongly supportive of the third party position that obtaining CCTV footage was unlikely to take the matter further, and I don't think that was unreasonable. I also see that AA did explain their reasoning for their decision to Mrs B and Mr B, and I don't think that their deciding it was a fault claim meant they were critical of Mrs B's driving. In my view AA did enough to investigate the claim. I can't say that their decision on liability was unfair.

Mrs B and Mr B said that it was inconvenient being without their car after the accident and they had to rely on family and friends for lifts and on public transport, including to take their disabled family member to medical appointments. I can see that must have been difficult for them. However I've checked their policy and it does confirm at P9 that AA aren't required to provide a courtesy car if they declare their insured's car is uneconomical to repair. Mrs B and Mr B were unhappy about how quickly AA made the decision to declare their car uneconomical to repair and that they'd decided that so as to avoid giving them a courtesy car. They were also unhappy with the value that AA put on their car. I've not been shown in this case that Mrs B and Mr B had already complained about those matters to AA and that they were not happy with AA's response. If Mrs B and Mr B want this Service to look at these issues those things would have to happen first, so I can't consider them here.

I do see that the accident and the whole situation has been very stressful for Mrs B and Mr B, but I'm looking here at AA's actions, and I don't think that they have done anything wrong. This means that I don't require them to do anything else.

My final decision

For the reasons given above, my final decision is that I don't uphold the complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs B and Mr B to accept or reject my decision before 18 September 2024.



Rosslyn Scott
Ombudsman