

## **The complaint**

Mrs T complains UK Insurance Limited trading as Direct Line (UKI) unfairly accepted liability after a claim was made on her motor insurance policy.

UKI are the underwriters of this policy i.e. the insurer. Part of this complaint concerns the actions of the intermediary. As UKI have accepted it is accountable for the actions of the intermediary, in my decision, any reference to UKI includes the actions of the intermediary.

## **What happened**

Mrs T was involved in a collision with a third-party car. She made UKI aware of the incident and said the third-party had driven fast around a bend and damaged her car. She said she was not at fault.

UKI looked into the claim and based on the information available it accepted liability for the damage to the third-party car.

Mrs T was unhappy that UKI did not inform her of its decision to accept liability and said it had not taken into consideration her version of events. She further complained that after she made a request to be sent the correspondence between UKI to the third-party insurer and also between herself and UKI, it was not received.

UKI said it used its subrogated rights to settle the claim. It acknowledged it should have made Mrs T aware it was going to settle the claim. As an apology for the poor service, it awarded her £125 compensation. It also accepted the data subject access request (DSAR) wasn't completed or chased up as it should have been and awarded a further £150 compensation as an apology for its error.

Because Mrs T was not happy with UKI, she brought the complaint to our service.

Our investigator did not uphold the complaint. They looked into the case and said UKI came to a reasonable conclusion regarding the liability outcome based on reviewing all the evidence available. They agreed there were some service failings in relation to delays with the DSAR request and a lack of updates but overall, they were persuaded the compensation of £275 awarded was sufficient for the impact of these shortcomings.

As Mrs T is unhappy with our investigator's view the complaint has been brought to me for a final decision to be made.

## **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.

It's important I make it clear that it's not my role to decide who's at fault for an accident, as ultimately that's a matter for the courts. And, like all motor policies, Mrs T's policy allows UKI to settle claims as it sees fit. In the terms and conditions of this policy it says:

*“When we can act on your behalf*

*We're entitled to do either of the following:*

- *Take over and carry out the negotiation, defence or settlement of any claim in your name, or in the name of any other person covered by this policy.”*

I understand Mrs T said she instructed UKI not to settle the claim, however UKI doesn't require Mrs T's consent to decide how to settle a claim and it may make a decision she doesn't agree with. I'll look to see that it's done so reasonably.

After the incident was reported to UKI both Mrs T and the third-party claimed they were not at fault, therefore UKI had to use the evidence available to make its decision on liability.

Mrs T said she accepts UKI can ultimately settle a claim how it decides and without her involvement, but she said UKI did not consider her evidence.

UKI confirmed both parties' versions of events were investigated and that it would never intentionally compromise a claim. It said it based its decision after reviewing the details about the incident, video evidence, and images of damage caused to both cars. It said it believed based on the damage to the third-party car, it would be very difficult to defend if the matter went to court. It said because the third-party's insurers were getting ready to issue legal proceedings the claim was settled as a fault claim against Mrs T.

UKI said the available evidence was referred for a second opinion. The same conclusion was reached that due to the damage to the third-party car it would have been difficult to defend. It said even if it could defend it, *it would only be a small percentage and the affect would be the same on the policy itself.*

UKI accepted it made an error in its communication with Mrs T when the claim was to be settled. It said it had called Mrs T but had not made contact, and it then sent an email which had failed, so it had not been received by her. It said whilst it was entitled to carry out settlement, it's unacceptable that it didn't keep her informed as to its actions. It apologised for this and awarded £125 compensation.

In reference to Mrs T's request on 23 August 2023 to see UKI's correspondence with the third-party insurer, I saw a response was made by UKI on the same day requesting two forms of ID to enable it to process the request. I saw the request was withdrawn by UKI 14 days later when the required ID was not received. When Mrs T chased her request in September 2023 and October 2023 this was not acknowledged as the case had been withdrawn. At the start of November 2023 UKI again requested her ID. It apologised for the previous delay and the inconvenience caused and offered a further £150 compensation.

I do understand Mrs T feels strongly she was not responsible for the incident and that she wanted to be involved in the claim process, however I have seen that UKI considered the evidence from both parties and its decision to accept liability was in line with the terms and conditions of the policy.

I recognise she will be very disappointed, but I do not uphold this complaint. I think UKI's offer of compensation to the total of £275 is in line with what our service would expect and I don't require it to do anything further in this case.

### **My final decision**

For the reasons I have given I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs T to accept or

reject my decision before 27 September 2024.

Sally-Ann Harding  
**Ombudsman**