

The complaint

Mr B complains about the way The National Farmers' Union Mutual Insurance Society Limited (NFU) handled a claim against his car insurance policy.

What happened

The details of this complaint are well known to both parties, so I won't repeat them here in any detail. Instead, I'll focus on the reasons for my decision.

A claim was made on the policy for an accident in April 2023, where Mr B and a third party were involved in an incident on a roundabout. Mr B explained to our Service that the third party hit his car and he believes the driver was in the wrong lane and hit his car on purpose i.e., a crash for cash. Mr B is unhappy that NFU settled the claim against him. Mr B says he has been discriminated against due to ill health – as he was unable to meet with the claim's inspector. He is also unhappy as he wants to make a personal injury claim and says that NFU's decision to record the claim as fault, means that he is unable to pursue a personal injury claim.

NFU says that when the claim was initially assessed it thought it should hold the third party liable for the incident; however, it told Mr B it may be 50/50 if the third-party insurer disputed liability. The third-party Insurer did not accept liability and said it held Mr B culpable for the incident as it was in their opinion Mr B who was in the wrong lane so liable for the incident.

NFU passed the claim to a solicitor's firm (I'll refer to as 'D') who had three separate solicitors review Mr B's claim and it was their expert opinion that if the case went to court a judge would say Mr B was undertaking a dangerous manoeuvre by crossing lanes in contravention of the road markings and in breach of the requirements of the Highway Code. It said this would impact the likelihood of the claim succeeding, and it didn't think it would succeed even on a 50/50 basis.

Due to the solicitor's decision, and Mr B being unhappy with its opinion, Mr B's claim has been passed to another firm (I'll refer to as 'E') for a re-assessment (second opinion). Mr B was sent a form of authority, but Mr B has said due to ill health he hasn't progressed it any further with E.

NFU also appointed a Claims Inspector to Mr B's case who reviewed all the information NFU had on file, including D's assessment of the accident circumstances. The Claims Inspector's professional opinion also concurred with the views of solicitors D and the claims handler.

NFU says based on all the information it had obtained its case handler accepted liability. But it acknowledges that Mr B had wanted to speak to the case handler's manager and the Claims Inspector before liability was accepted and this didn't occur. It acknowledged there were customer service failings including that it initially advised it was more than likely a 50/50 split, not confirming there was a time deadline and that the case handler hung up during a call with Mr B. To apologise for this NFU has paid £200 compensation for the misinformation and service provided.

An Investigator considered Mr B's complaint but didn't recommend that it be upheld. Mr B didn't accept the Investigators view – he says that key information has not been taken into consideration and that NFU's decision was based on what solicitors D advised them and Mr B feels it should have waited until solicitor's E had considered the evidence. Mr B feels it is key for the claims inspector to see where the accident happened and that the signs at the roundabout have no bearing on what lane you are in.

So, the complaint has been passed to me, an Ombudsman to make 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.

I recognise I've summarised this complaint in far less detail than the parties and I've done so using my own words. I'm not going to respond to every single point made by the parties involved. No discourtesy is intended by this. Instead, I've focussed on what I think are the key issues here. If there's something I've not mentioned, it isn't because I've ignored it. I've given careful consideration to all the submissions made before arriving at my decision and I'm satisfied I don't need to speak to either party or comment on every individual argument to be able to reach what I consider to be a fair outcome. Our rules allow me to do this, and it reflects the informal nature of our Service as a free alternative to the courts.

Having done so, I'm satisfied the Investigator reached a fair outcome here and I consider they set out the reasons for this clearly and thoroughly. So, I don't uphold Mr B's complaint in this matter. I will add the following comments.

Firstly, I acknowledge Mr B has strong views about what happened in the accident and how the third party conducted himself. But it's not the role of this Service to determine who is responsible for an accident – decisions on this are best dealt with by a court of law.

What we decide in a matter like this is whether the insurer has acted in accordance with the terms and conditions of the policy which set out the agreement between the parties taking into account all available evidence. And I'm satisfied NFU did. I say this because the terms allow NFU to investigate, defend and settle claims as it sees fit. It therefore doesn't need Mr B's approval of any decision to admit liability, settle a claim or pay a third party. That can mean it makes a decision the policyholder disagrees with, as has happened here.

I have, however, gone on to consider whether NFU made a reasonable decision in settling the claim as it did, based on the evidence it had and the circumstances of the case.

NFU explained it accepted liability for the third party's claim on Mr B's policy considering the following:

- It appointed solicitors firm D. Three solicitors reviewed the claim which included images of the roundabout, Mr B's accident questionnaire, photos of the vehicle after the accident. It also contacted a witness – but it was determined the witness didn't see the accident occur. But after a full review of all the evidence it assessed that it was more likely Mr B was at fault and therefore it wouldn't be able to defend liability
- It also appointed a Claims Investigator who agreed with solicitor's D's conclusions
- It listened to the audio recording Mr B provided taken after the accident
- It also considered its own expertise and experience in insurance claims which will have included the likelihood of a crash for cash scam and how courts view such matters and the likelihood of success in pursuing a legal case.

Whilst Mr B doesn't agree with the decisions it has made, I'm satisfied NFU took into account all available evidence and ultimately accepted liability to limit the prospect of costs increasing if the third party took the matter to court. Taking everything into account, I'm not persuaded NFU was acting unfairly or unreasonably when it did this.

I understand Mr B is unhappy the decision was made about liability which he feels is incorrect and that the decision has been made before solicitor E has had a chance to review the evidence. But, as explained above, it's ultimately for NFU to decide how to settle the claim, acting fairly and reasonably. And, having taken everything into account, I don't agree there's sufficient evidence for me to say NFU failed to do this.

If any further information or evidence comes to light or any new findings, perhaps from advancing things through solicitor E, then I would expect NFU to consider this.

Mr B says NFU has discriminated against him due to his ill health. But I haven't seen evidence of this. I appreciate Mr B didn't get an opportunity to speak to the Claims Inspector as he hoped to, or the claims handler manager before liability was decided but from information, I have seen the claims inspector took into account all the information that Mr B had provided to NFU and as liability was being challenged there are time limits involved that an Insurer must respond to. NFU has accepted that its customer service could've been better and awarded Mr B £200 compensation which I think was fair in the circumstances. So, I won't be asking NFU to do anything further.

My final decision

For the reasons given above, I don't uphold the complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr B to accept or reject my decision before 28 October 2024.

Angela Casey
Ombudsman