

The complaint

Mr W complains that AXA Insurance UK Plc (AXA) settled a claim against his motor insurance from another driver. References to AXA include other organisations and individuals acting on its behalf.

What happened

Mr W had motor insurance with AXA. Another driver said Mr W had driven into their car, and made a claim against Mr W's insurance policy. After getting engineers to inspect both cars, AXA accepted that the accident was Mr W's fault and paid the claim. This meant Mr W lost his No Claims Discount. Mr W told AXA that he didn't hit the other car and that there wasn't any corresponding damage to his own car. AXA said:

"Further to our conversation on [date], I have asked our engineers to take another look at the reports. As both vehicles have been inspected and a consistency report has been produced, there is unfortunately little more that we can do.

The damage advised by the other party does support their version of events and it is not the we do not believe you when you advised that no contact between the vehicles took place, and that there is very little damage to either of the vehicles but if this evidence was produced in court, we would not have a successful outcome.

I am very sorry that this was not the outcome that you expected. If you disagree with my decision but you are free to approach a solicitor to take your claim."

Mr W wasn't happy about this and complained to AXA. AXA said:

"After a thorough review of your case, I can confirm that liability was indeed disputed. We conducted an extensive investigation based on the findings from the engineers' report. The assessment by our engineers indicated that the damage to your vehicle is consistent with the damage to the third party's. This correlation between the damages led us to the liability decision communicated to you.

I understand that you are unhappy with the findings, and I apologize for any distress and inconvenience this may have caused. However, based on the information and evidence from the report, we have made our decision in accordance with the engineers' assessment.

Additionally, I can inform you that your case is currently with our fraud investigation team and is still under review. We are committed to ensuring that all aspects of the claim are thoroughly investigated."

AXA made a good will gesture payment of £25.00 for the delay in responding to the complaint.

Mr W wasn't happy with what AXA said so he complained to this service. Our investigator didn't uphold his complaint. She said AXA had acted fairly and reasonably and in line with the policy terms in settling the claim based on the engineers' report.

Mr W didn't agree with what the investigator said so his complaint has been passed to me. Mr W wants AXA to change its 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 don't uphold Mr W's complaint. I'll explain why.

Firstly it's important to say that it's not my role to decide whether any accident took place or whether Mr W was responsible for the damage to the other car. Ultimately only a court can decide that. My role is to decide whether AXA acted fairly and reasonably and in accordance with the terms and conditions of Mr W's insurance policy.

Mr W's insurance policy documents with AXA said:

"If we wish we may take over and deal with your claim in your name. We may also pursue any claim to recover for our benefit any money we have paid out under this policy."

This is a standard clause in most motor insurance policies and one which this service usually finds to be fair and reasonable. It means that AXA could decide how to settle the third party's claim and didn't need Mr W's agreement.

I've seen the report from the independent engineer who inspected Mr W's car as instructed by AXA. I understand that this report has now also been sent to Mr W so I won't repeat all that it says.

The report says:

"ENGINEER'S COMMENTS

...The purpose of my inspection was to examine the vehicle for alleged damage sustained consistent with the vehicle having been involved in a road traffic accident.

The incident circumstances would suggest frontal damage.

Special attention was therefore paid to the front of the vehicle.

On examination I found the following damage.

1.Impact damage to the right hand front bumper centre at a height of 41 - 42 cm from ground level.

2.Impact damage to the front number plate area at a height of 46 - 50 cm from ground level."

The engineer suggested that the third party's vehicle should also be inspected for any corresponding damage.

I've seen the report of the different independent engineer who inspected the other car. It says there was impact damage to the rear bumper. The engineer confirmed that he had reviewed images of Mr W's vehicle and advised the damage profile and heights were consistent.

Mr W has provided this service with photos of his car which he says show no damage, but he hasn't provided any independent expert evidence.

In all the circumstances I don't think it was unreasonable for AXA to rely on independent expert engineers in deciding to settle the third party's claim. There would have been no advantage to AXA in doing so if it thought the claim could be successfully defended in court, but AXA's view was that the case would be lost. Under the terms and conditions of Mr W's policy, this is a decision AXA was entitled to make.

My final decision

For the reasons given above I don't uphold Mr W's complaint. So I won't be asking AXA Insurance UK Plc to do anything.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr W to accept or reject my decision before 27 January 2025.

Sarah Baalham
Ombudsman