

## **The complaint**

Mr S complains KGM Underwriting Services Limited trading as KGM Motor didn't handle a claim against his commercial motor insurance policy fairly.

## **What happened**

Mr S was involved in a motor incident. KGM Motor accepted the claim. Mr S complains KGM Motor didn't handle the claim fairly because he says it settled the third-party claim when it shouldn't have and didn't indemnify him for the damage caused to his vehicle. Mr S was dissatisfied with the response(s) he received from KGM Motor, so he asked our Service for an independent review.

The Investigator reviewed the complaint and was satisfied KGM Motor had handled the claim fairly and reasonably, so she didn't recommend that the complaint should be upheld. I won't repeat her detailed background here, but I will summarise her reasons below:

- KGM Motor's contract with Mr S allowed it to take over, defend or settle the claim as it saw fit. She was satisfied KGM Motor gave due consideration to the circumstances of the incident and concluded it would unlikely succeed in defending the third-party claim. This was because Mr S had driven into the back of the third party's vehicle and there was no independent evidence to prove wrongdoing by the third party. She was therefore satisfied KGM Motor's decision to settle the claim was reasonable and not contrary to the evidence.
- Mr S didn't initially seek support with arranging repairs to his vehicle, indicating it was drivable and he would submit repair estimates. When he made clear he wanted support KGM Motor reviewed repair estimates and arranged an independent inspection. The inspection concluded there was some pre-accident damage. KGM liaised at length with Mr S and sought input from suitably qualified engineers. Overall, the Investigator was satisfied KGM Motor's ultimate cash settlement offer of £1,755.94 (net excess) was fair and reasonable based on the evidence available.

KGM Motor didn't challenge the Investigator's recommendation. Mr S challenged the Investigator's competence and made clear he disagreed with her recommendation and her reasoning but didn't engage in the merits of the complaint in a meaningful way. As an agreement couldn't be reached the complaint has been passed to me 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.

Having done so, I agree with the Investigator's recommendation, and her reasons for it, and I have nothing material to add. It follows I don't uphold this complaint.

If Mr S would like to accept KGM Motor's cash settlement offer, he should contact it directly and supply his bank details, as it has previously requested.

I accept this decision will be disappointing for Mr S, but it brings an end to what our Service - in trying to resolve this complaint with minimal formality - can do for him.

**My final decision**

I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr S to accept or reject my decision before 6 March 2025.

James Langford  
**Ombudsman**