

The complaint

Mrs H complains about how AXA Insurance UK Plc (AXA) has handled a claim on her motor insurance policy.

What happened

Mrs H collided with the rear of a third-party vehicle at a roundabout in October 2023. She reported the accident to AXA.

Mrs H is unhappy with AXA's liability decision as she has concerns in respect of the validity of the accident along with the repair costs paid to the third-party. Mrs H therefore made a complaint to AXA.

AXA didn't uphold Mrs H's complaint. It said based on the accident circumstances it would find Mrs H at fault for the collision and it followed the correct process. With regards to the repair costs to the third-party vehicle, AXA have said these have been reviewed and have been found to be reasonable.

Dissatisfied, Mrs H has brought her complaint to this Service.

Our Investigator felt AXA had acted reasonably when dealing with the claim and third-party's costs and wouldn't be asking AXA to do anything further. She however awarded Mrs H £100 compensation in relation to delays in AXA contacting Mrs H.

Mrs H disagreed with our Investigator, so her 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.

My role isn't to consider who was responsible for the accident. It's to look at whether AXA has carried out a fair investigation, reviewed all the evidence it has available and reached a reasonable decision.

At page 11 of Mrs H policy terms and conditions booklet, AXA is allowed, like other motor insurance policies to; -

"Have the right to take over and deal with the Defence or settlement of any claim in the name of the person making a claim under this policy..."

The above policy conditions allow AXA to settle the claim on the best terms it felt possible and that it has the final say in how to settle a claim. The term doesn't mean that AXA can do as it pleases when settling a claim. Its decision must be reasonable and based on the facts and evidence.

Decision to settle

Although Mrs H admits she collided with the rear of the third-party vehicle at a roundabout, she has concerns regarding the validity of the accident (i.e. Mrs H believes it may have been a staged accident). Her basis for this is the third-party's driving immediately before the collision and her interaction with the third-party afterwards.

As stated above, it's not for me to decide who was responsible for the accident, but whether AXA has taken Mrs H's comments and all other evidence into consideration when deciding whether to concede liability or not.

From the available evidence I can see AXA did raise internally Mrs H's concerns regarding the validity of the accident. I have seen these concerns were considered but AXA felt there wasn't enough evidence at the time, as it was one party's word against that of the other. Within the available evidence AXA said it would review the matter again if after an engineer's report is provided, it highlights a problem with the third-party's brake lights. I have seen the engineer's report provided to AXA and no reference is made to the brake lights not working.

In this case there was no independent witnesses to support either party's version of events, nor was any dashcam or cctv footage provided. It's therefore one party's word against that of the other. I'm satisfied that AXA did consider Mrs H's concerns along with all the available evidence when making its liability decision.

Taking everything into account, I believe AXA followed a fair and reasonable process in assessing whether to deal with the third-party claim. AXA utilised the conditions it was afforded under page 11 of the policy terms and conditions booklet (referenced above), as it's entitled to do to ensure claim costs were kept to a minimum. I therefore don't require AXA to do anything further.

Third-Party Repair Costs

Mrs H has said she is unhappy with the level of repair costs paid to the third-party and has asked for a breakdown of the costs incurred. AXA has said it has reviewed the costs and has found the same to be reasonable in respect of the damage caused.

Within the available evidence I can see a reference to AXA having reviewed and authorised the third-party's costs. In doing so AXA must have considered the same to be reasonable based upon the payment it has made.

AXA says it provided a breakdown to Mrs H on 9 and 22 May 2024 relating to the costs incurred. Copies of the letters from AXA to Mrs H has been provided to this Service. I can see there is a breakdown of the costs relating to Mrs H and the third-party. I don't think it's reasonable to ask AXA to provide a further breakdown of how the figure stated in AXA's letters has been arrived at. I therefore believe AXA have been fair and reasonable in providing this information to Mrs H and I don't think it needs to do anything further.

Additional Information

AXA provided its final response letter to Mrs H's complaint in July 2024. I have seen from the available evidence that Mrs H has raised a further complaint with AXA in September 2024. I won't be addressing anything which has happened post AXA's final response letter dated July 2024. Therefore, as to the further information provided by Mrs H I believe I have addressed those points I'm able to consider in my decision above.

Distress and Inconvenience

Our Investigator recommended compensation for distress and inconvenience to Mrs H in the

sum of £100 for failure of AXA to keep her updated in respect of her claim. AXA don't oppose this offer of compensation and I believe the same to be fair and reasonable in the circumstances. Therefore, if AXA hasn't already paid Mrs H the sum of £100, it should do so.

My final decision

For the reasons I've explained above, my final decision is that I direct AXA Insurance UK Plc to pay £100 to Mrs H for distress and inconvenience if it hasn't already done so.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs H to accept or reject my decision before 28 February 2025.

Lorna Ball
Ombudsman