

## **The complaint**

Mr J says AXA Insurance UK Plc made the wrong decision about liability when he claimed on his motor insurance policy, leading to higher premiums, and that it provided poor service.

## **What happened**

Mr J said he'd stopped his car on the main road to perform a three-point turn. As there was no traffic in sight, he was turning right, onto the other side of the road, when the passenger side of his car was hit by another car. He said the other driver must have sped around a bend in the road 50 yards away or she'd have seen his car in time and stopped. He also said the other driver had said at the time she didn't know what had happened, which he thought was an admission of liability. But the other driver said later that Mr J was at fault. AXA thought the damage showed her car had almost passed his when the collision took place, but Mr J said that showed she was travelling faster than him, whilst overtaking.

AXA noted that Mr J wasn't happy with its decision and that he thought he wasn't given the chance to present his case. It pointed out that it had asked him for his version of events and that he'd provided a statement and a sketch that it had relied on. AXA said there was no evidence of the other driver speeding, and that her comment at the scene was hearsay. It said Mr J was performing a manoeuvre, and he had a duty of care not to make another driver change their speed or direction. AXA thought the other driver was proceeding correctly on her side of the road. But it said it should have explained its decision better and that it should have dealt with Mr J's complaint more quickly, so it offered him £200 compensation.

One of our investigators reviewed Mr J's complaint. She thought AXA had acted reasonably in making its decision on liability and that the compensation it had offered for poor contact / communication was also reasonable. She asked AXA to explain how Mr J's premiums were calculated and she was satisfied that the increases in them were fair. Mr J said the fundamental issue was that the evidence showed the other driver's car was almost past his when the impact happened, so instead of stopping for an obstacle, she'd tried to get past when there was no space for her to do so safely.

As there was no agreement, the complaint was passed to me for review.

## **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.

We don't decide which driver is responsible for an accident, as that's the role of the courts. Instead, we look at whether an insurer acted reasonably in making its decision. Under the policy, AXA has the right to decide how to deal with every claim. All insurers have a term in their motor policies allowing them to do that. We only interfere with an insurer's right to decide how liability should be settled if we think it hasn't investigated properly and hasn't reached its decision fairly, given all the available information.

I think Mr J was given the chance to put forward his version of events and did so. He told AXA the other driver was speeding. Although that may be true, there's no way to prove it, so it wouldn't assist AXA in defending the other driver's claim. Neither would her reported comment at the scene that she didn't know what had happened, for the same reason. AXA had to take into account that it looked as though the other driver was proceeding correctly on her side of the road (as there was nothing to show she was speeding) and that Mr J was performing a manoeuvre that meant his car entered her side of the road.

Mr J says a driver is obliged to stop if there's an obstacle in the road. Whilst that's correct, I think it's also fair to say that drivers aren't always able to stop in time, and that it isn't always their fault if they can't. Mr J also says the fact that the other car had almost passed by his car on its passenger side when the accident happened proves beyond doubt that the other driver was in the wrong. AXA didn't think that was the case, and I think it was reasonable for it to come to that decision. That's because there's no independent evidence about what happened just before the impact. The other driver says Mr J's car collided with hers as she was passing. Mr J agrees that his car was partly on the other driver's side of the road at the point of impact, and he says he was completing his manoeuvre slowly at the time. AXA had to decide if it was likely to succeed in arguing in court that he wasn't at fault. Based on the limited evidence available to it, I don't think it was unreasonable for it to decide that it wasn't.

In terms of Mr J's premium, it's standard practice for an insurer to increase its charges after an accident in which a driver is found to be at fault, as the risk of covering that driver in the future has increased. But AXA says it only charges consumers more for a fault accident for three years. Mr J's premiums have risen since then (particularly in the last year). AXA says that's largely the result of increases in premiums across the insurance sector, which apply to all customers. It has provided commercially sensitive information to us to show that other factors also contributed to the increase in Mr J's premiums. We can't share the details, but the fault claim isn't one, and the factors that applied affected other consumers equally.

I think AXA acted reasonably in offering Mr J £200 compensation for not explaining its decision in more detail and in not dealing with his complaint promptly. Neither of those issues made a difference to the outcome of his claim. I know Mr J will be disappointed with my decision, as he remains convinced that he wasn't to blame for the accident. But even if he's right about that, AXA could only make its decision based on the available evidence, and I don't think that meant it was unreasonable to settle the case in favour of the other driver. As I also think it acted reasonably in relation to his premium and the compensation it offered him, I can't uphold Mr J's complaint.

## **My final decision**

My final decision is that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr J to accept or reject my decision before 7 May 2025.

Susan Ewins  
**Ombudsman**