

The complaint

Mr G complained about U K Insurance Limited (UKI) trading as Churchill. He isn't happy about the way it settled a claim under his motor insurance policy and about the service he received.

What happened

Mr G was involved in a motoring incident which he believed was the other driver's fault which he reported to UKI, and it looked to defend him initially. However, when it received the other driver's account it explained to Mr G that the best outcome it could achieve was to settle the claim on a split liability basis (50/50). And at a later stage UKI accepted liability fully as the other side had a witness that said Mr G was fully at fault.

As Mr G wasn't happy about this and the poor service he received he complained to UKI about this. It accepted that its service could have been better and offered £200 by way of compensation, alongside a previous compensation award it had made in relation to its poor service, for not updating Mr G or providing the contact details he had asked for during one of his calls. But it maintained its position about liability, so Mr G complained to this Service.

Our investigator looked into things for Mr G but didn't uphold his complaint. She thought UKI had acted fairly in deciding liability and its offer of an additional £200 compensation was fair.

As Mr G didn't agree the matter has been 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.

I can understand Mr G's frustration here as he was at the scene and believes the other driver was at fault. He said the other driver reversed into him causing the damage sustained to his vehicle. While I understand this, I don't feel there is sufficient evidence to support Mr G's position so, although I know this will come as a disappointment to Mr G, I'm not upholding his complaint. I'll explain why.

I'd like to reassure Mr G that whilst I'm aware I may have condensed some of the complaint points in far less detail and in my own words, I've read and considered everything he's told us. I'm satisfied I've captured the essence of the complaint, and I don't need to comment on every point individually, or possibly in the level of detail he would like, in order to reach what I think is a fair outcome. This isn't meant as a discourtesy, but it simply reflects the informal nature of our service and I want to reassure him that I've considered all of the available evidence and the detail around the circumstances surrounding the accident.

As Mr G is aware, it isn't the role of this Service to decide liability, which is a matter for the courts. Although we do look to ensure insurers have acted in a fair and reasonable way. Under the policy terms, UKI has the right to take over the settlement of the claim. This gives it the right to decide whether to take a third party to court or settle a claim. Legal proceedings

are time-consuming, expensive and the outcome can be uncertain. As such, it will not always be commercially sensible to take legal action against a third party.

However, this Service's general approach is that insurers should act fairly and reasonably in deciding whether to settle or pursue a third party. We expect insurers to make a reasonable assessment, based on a clear understanding of the evidence and the circumstances of the accident.

With this in mind I've carefully considered how UKI has handled this claim. And I'm satisfied it carried out a reasonable investigation and took into consideration the available evidence in forming its view on liability. I say this as it looked to fully defend Mr G initially when it contacted the third-party insurer on his behalf. But when the other side held Mr G at fault and gave their version of events it felt the best it could achieve was a split liability (50/50). UKI later changed its mind and thought that it couldn't defend Mr G without any independent evidence. This was because an independent witness had provided a statement supporting the third-party and holding Mr G fully liable for the accident.

I know Mr G has questioned the length of time it took for the independent witness to provide their statement but sometimes it can take a while to make contact with witnesses. And I can understand why Mr G would like the matter to proceed to court so that he can look to defend himself, but the courts don't like their time being wasted and it is clear that the other side has more evidence supporting their position than Mr G. And there isn't any evidence to suggest the witness is being untruthful here.

Plus, UKI has accepted the claim on a without prejudice basis so Mr G can choose to appoint a solicitor personally and defend himself at court if he wishes and UKI would look to change its position if he was successful. So, I don't think UKI has acted unfairly or prejudiced Mr G's position if he wants to defend himself at court.

I know Mr G also feels that his insurer should have done a lot more here to ensure liability was found in his favour earlier and UKI has awarded compensation in relation to its lack of updates amongst other things. But as I've already said the courts don't look favourably when insurers waste valuable court time. And without any independent evidence, such as CCTV or independent witnesses favouring Mr G, it would be very difficult to establish liability fully in his favour here especially given the third-party has a witness supporting their position.

Given all of this, I consider it would be very difficult for UKI to fully defend Mr G in court if it looked to dispute the claim. And I think the best position Mr G could achieve was a 50/50 split liability which would still have left Mr G with a fault claim against him in any event, so I don't think UKI has acted unfairly here.

Finally, I note that UKI has offered an additional £200 compensation in acknowledgment of its poor service, delay and failure to provide Mr G with the contact details he requested in advancing his complaint and I think that feels fair.

My final decision

It follows, for the reasons given above, that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr G to accept or reject my decision before 20 May 2025.

Colin Keegan
Ombudsman

