

The complaint

Mr B has complained about that Tradex Insurance Company PLC recorded a claim as a fault claim against his car insurance policy. Mr B says the other party involved in the incident was at fault.

What happened

Mr B was involved in an incident with third party vehicle (TPV) and the third party made a claim against Mr B's car insurance policy. They said Mr B was at fault for the incident.

Mr B told Tradex the third party was at fault for the incident.

Tradex made the decision to record the claim as a fault claim against Mr B, which he didn't agree with. But Tradex didn't uphold Mr B's complaint. So Mr B asked us to look at his complaint. He's very unhappy about the claim decision and that his premium at renewal increased significantly due to the claim.

One of our Investigators thought Tradex had acted reasonably in reaching its decision and in line with the policy.

Mr B doesn't agree and wants an ombudsman 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.

As the Investigator explained, we don't decide liability as this is the role of the courts. But we can look at whether an insurer reached its decision in a reasonable way and in line with the policy.

Tradex has a very common term which I've found in most – if not all motor insurance policies. This term says that Tradex can take over the defence and settlement of a claim in Mr B's name. This means Tradex might make a decision Mr B doesn't agree with, but the policy allows it.

We don't disagree with this term in principle provided an insurer can show it treated a customer fairly when applying it.

The third party said that they were correctly proceeding along a main road. As they did, Mr B turned out of a side road from the left when it wasn't safe to do so and caused the collision.

Mr B says there was slow moving traffic on the main road (travelling from the right to the left from Mr B's view) and an unknown driver signalled to Mr B to allow him to enter the main road from a side road. Mr B was turning right, so against the flow of traffic. Mr B says the third party overtook the unknown driver as Mr B was carrying out his manoeuvre and caused the collision.

There were no independent witnesses or independent evidence available such as dash cam footage of the incident. So Tradex took into consideration the accounts provided by both parties before reaching its decision. Tradex said that it would settle the claim holding Mr B liable for the incident.

Mr B cited the highway code: section 167, which says that vehicles should not overtake where they might come into conflict with other road users. Mr B told us that he had looked left before proceeding; as he moved forward to turn right, he hit the side of the third party vehicle.

In response to Mr B's reference to the highway code, Tradex said in this scenario, if the unknown driver had stopped, the third party would have been entitled to overtake. And as Mr B says he saw the oncoming traffic from the left was clear to him, it's reasonable to assume the road ahead would have also been clear to the third party driver, if overtaking.

Tradex said that Mr B was carrying out the higher risk manoeuvre in pulling out from a side road to turn right, and so the onus was on him to check it was safe to do so by checking both left and right.

Mr B says he did check both ways, but says the third party must have been travelling at speed. There isn't a way for this to be proven in this case.

I understand how strongly Mr B feels about his complaint. And I understand his upset at Tradex's decision. But I think Tradex properly investigated the claim - and explained that deciding on liability can be a difficult decision to make. From the information available to it, and the fact that liability was disputed by both parties, I think Tradex reached its decision reasonably and in line with the policy. So I'm not asking it to change its decision. It therefore follows that any impact the claim may have on Mr B's premium at renewal isn't something I can say Tradex is responsible for. I think Tradex treated Mr B fairly and as it would any other customer in the same circumstances.

Mr B says the third party didn't exchange his contact details with Mr B at the scene. This isn't a complaint I can see Mr B raised with Tradex, which it responded to, to allow me to look at. So I haven't considered this.

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 B to accept or reject my decision before 11 July 2025.

Geraldine Newbold
Ombudsman