

The complaint

Mrs B complained that U K Insurance Limited (“UKI”) unfairly held her liable for a damage claim made by a third-party, under her motor insurance policy.

What happened

A third-party (TP) made a claim against Mrs B’s policy for damage resulting from a collision. Mrs B told UKI that she hadn’t been involved in a collision. She said the business initially defended her position but later accepted full liability. Mrs B didn’t think this was fair and complained.

In its final complaint response UKI said Mrs B had pulled away from a parked position and that the TP had right of way when the alleged collision occurred. This was evident from CCTV footage of the incident. It said the TP’s insurer (TPI) provided images of a scrape to the TP’s car. In these images transfer of blue paint could be seen that matched the paint on Mrs B’s car.

In its response UKI said the CCTV didn’t reveal whether an impact had occurred. But it said the TP’s car stopped almost immediately after the alleged incident. Following this Mrs B pulled up behind the TP’s car. UKI questioned why this happened if there had been no contact between the cars.

UKI said its engineer confirmed the damage to the TP’s car shown in the images was consistent with a collision having occurred in the way described. The engineer thought the costs reported were reasonable and the decision to settle the claim was made on this basis.

Mrs B didn’t think UKI had treated her fairly and she referred the matter to our service. Our investigator didn’t uphold her complaint. Based on the evidence available he didn’t think the business had acted unfairly in dealing with the claim as it had.

Mrs B didn’t accept our investigator’s findings and asked for an ombudsman to consider her complaint.

It 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’m not upholding Mrs B’s complaint. I’m sorry to disappoint her but I’ll explain why I think my decision is fair.

Mrs B’s policy terms, on page 39 of her policy booklet, under the heading “*Claims procedure – Our rights and your obligations*” say:

“We are entitled to: • take over and carry out the negotiation, defence or settlement of any

claim in your name, or in the name of any other person covered by this policy”.

This is a common term used in the insurance industry. It means that UKI can decide how to deal with any claim made against Mrs B's policy. It doesn't need her permission to do this. This doesn't mean that it can do just anything it wants. It must still ensure that it treats Mrs B fairly. I've focused on that here.

I've watched the CCTV of the incident. Mrs B's car started off parked on the kerb. The camera view is from a building on the opposite side of the road. Around 55 seconds into the footage Mrs B's car begins to move forward. There are vehicles driving past, which prevent her from pulling away. The TP's car can then be seen driving down the road on the same side as Mrs B's car was parked. She then pulls off the kerb and towards the path of the TP's car. Mrs B's car then stops abruptly. The TP's car brakes immediately after driving past Mrs B's car and then pulls into the side of the road around ten meters in front of where Mrs B was originally parked. The TP walks around to the side of the car where the collision is alleged to have occurred and can be seen looking closely at the car. Mrs B's car then pulls in behind the TP's car and the footage ends.

The TP's car is between the camera and Mrs B's car. So, it's not possible to see if a collision occurred. But the circumstances strongly indicate that an impact happened. I say this because Mrs B's car pulled into the path of the TP's car. The TP then stopped abruptly and pulled into the side of the road where she checked the area of the car that was allegedly hit by Mrs B's car.

In her recent submissions to our service Mrs B said she knew the TP. This is why she had got out of her car, not because she had hit her car. I acknowledge Mrs B's comments. But I think the sequence of events shown in the CCTV supports the TP's claim that a collision had occurred.

I asked UKI for the images the TPI had provided as well as its assessment of the damage. It responded with the report the TPI's engineer produced. As well as photos of the TP's car and Mrs B's car. I can from the photos that there is a dent on the rear passenger side wing of the TP's car as well as blue paint transfer and scuffs on the rear wheel arch. Mrs B's car had scuffs on the driver's side front wheel arch. The position of the damage on both cars fits with a collision having occurred due to Mrs B pulling out into the path of the TP's car.

Based on this evidence along with the CCTV footage, the indication is that a collision did occur. The damage is fairly minor so I can understand that Mrs B may not have felt the impact. But I think the evidence is persuasive that a collision occurred.

It's not the role of our service to determine responsibility for an accident. That role is best placed for the courts. In this case UKI determined it would be unlikely for it to successfully defend Mrs B's position in court. This was based on the evidence discussed. I don't think this decision was unreasonable. UKI is responsible for paying the cost of any claim, so it's incentivised not to accept liability when this can be challenged. But if it's unlikely that it can challenge successfully, this will only add more cost to the claim and so court action won't be advisable.

In summary, the CCTV shows the TP correctly proceeding down the road when Mrs B pulls into the path of the TP's car. I can't see that Mrs B indicated before doing so. There is evidence to show a dent, scuffs and paint transfer that matches where the collision likely occurred. The actions of both parties also indicate that there was a collision. I acknowledge Mrs B has a different view. But I don't think UKI treated her unfairly when it relied on its policy terms to deal with the TP's claim as it did. So, I can't reasonably ask it to do anymore.

My final decision

My final decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs B to accept or reject my decision before 4 September 2025.

Mike Waldron
Ombudsman