

The complaint

Mr C complained about Watford Insurance Company Europe Limited. He isn't happy about the way it looked to settle a claim under his motor insurance policy.

What happened

Mr C's wife was driving when they were involved in a road traffic accident. Mr C thought the other driver was fully at fault for the incident but when Watford looked into the circumstances surrounding the accident it didn't think it could fully defend the claim, and it conceded liability.

So, Mr C complained to Watford Insurance as he wasn't happy about the way liability was settled. But Watford Insurance maintained its position as Mr C's wife had moved onto a main road and across oncoming traffic from a side road when the collision occurred so it didn't think it could defend her as the onus was on her. But as Mr C still didn't agree he complained to this Service.

Our investigator looked into things for Mr C but didn't uphold his complaint. He thought Watford had acted fairly in deciding liability. As Mr C's wife had moved from a side road blocking part of the carriageway for oncoming traffic just before the accident happened, he didn't think Watford's position was unreasonable.

As Mr C 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 C's frustration here as he was at the scene and believes the other driver was at fault. However, it is difficult to defend liability when a vehicle has encroached into the path of oncoming traffic, and I don't think there is sufficient evidence to establish the other driver was fully at fault. So, although I know this will come as a disappointment to Mr C, I don't think Watford Insurance has done anything wrong here. I'll explain why.

As Mr C 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. And under the policy terms, Watford 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 surrounding the accident.

With this in mind I've carefully considered how Watford 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 isn't disputed that Mr C's wife was manoeuvring out of a side road and had edged forward into an area that clearly says keep clear on the road markings.

Although I understand why Mr C's wife did this, as her view was restricted and it was difficult to get out of the junction, there was an onus on her to make sure the junction was clear in both directions before moving forward. There was also a greater duty on her to ensure the path was clear and to look in both directions before moving forward a second time, which was at the point of impact. And given there is dashcam evidence showing that she initially moved forward partially blocking the carriageway for oncoming traffic it would be extremely difficult to defend her at court.

Furthermore, once it became clear that Mr C's wife couldn't proceed forward during her initial manoeuvre, she could have taken steps (such as reversing back if it was clear and safe to do so) to prevent blocking the road. And she seems to undertake a second manoeuvre forward just before the collision and again there would be an onus on her to check again that it was clear to proceed with the traffic approaching from her right as well as the left.

I know Mr C feels the other driver moved on to the other side of the road to go round his vehicle causing the accident and has cited the Highway Code in support of his position. While I can understand his point, I understand Watford Insurance placed a lot of weight on whether it was safe for his wife to pull out under the Highway Code in the first instance. But even if the other driver was held partly at fault, which seems the best that could have been achieved here, then Mr C's wife would still have a fault claim against her.

Mr C feels that his insurer should have done a lot more here to ensure liability was found in his favour, but the courts don't look favourably when insurers waste valuable court time and insurers make commercial decisions about the chances of success all the time which isn't unreasonable. However, having looked at the dashcam footage and the positioning and movement of Mr C's car it would be very difficult to establish liability fully in Mr C's wife's favour here, especially given the road markings clearly say, *'keep clear'*.

Given all of this, I consider it would be very difficult for Watford to fully defend Mr C in court if it looked to dispute the claim. I say this as it isn't disputed that Mr C's wife had edged out into the other driver's lane that clearly says keep clear and then made a second movement colliding with the third party when she wasn't aware of their presence. And so, establishing that the other driver was fully at fault would be difficult. Watford Insurance advised Mr C that this was the likely outcome, a fault claim against his policy, when he first notified them of the claim as the other driver had the right of way and the onus was on Mr C's wife to ensure it was clear and safe before moving across traffic that was already established on the road. I know this will be very disappointing to Mr C, but I feel Watford acted reasonably in looking at liability.

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 C to accept or reject my decision before 6 October 2025.

Colin Keegan
Ombudsman

