

The complaint

Mr S has complained about AA Underwriting Insurance Company Limited's (AAUW) decision not to pursue recovery of its outlay on a claim for damage to his car which he made under his car insurance policy. And about the way it handled the matter.

What happened

Mr S was involved in an accident with a lorry on a roundabout in which his car was damaged. He made a claim for the damage and AAUW paid for his car to be repaired. He provided AAUW with a statement of what happened, along with the details of a witness who was in the car behind him at the time of the accident.

AAUW established who it thought the insurer of the lorry was and wrote to them asking it to reimburse its outlay. The insurer of the lorry told AAUW the lorry was on hire at the time of the accident and to refer to the hire agreement and redirect its recovery action. AAUW obtained a statement from the witness. Having done so, it decided it wasn't worth pursuing recovery.

AAUW told Mr S it wasn't going to pursue recovery. He complained about this and said AAUW should obtain a statement from the lorry driver. He also asked it to provide details of the insurer who was insuring the lorry at the time of the accident. He also asked AAUW to tell him what the witness had said in her statement. AAUW said it was satisfied its decision on liability was correct, that it wasn't going to obtain a statement from the lorry driver, that it could not provide him with a copy of the witness statement due to the need to protect her data and that it would not be providing him with details of the insurer of the lorry.

Mr S complained to AAUW, but it wouldn't alter its position. So, he asked us to consider his complaint. One of our investigator's did this and didn't think it should be upheld. He said AAUW had the right to handle any claims under Mr S's policy as it felt appropriate. And that he thought its decision not to pursue recovery of its outlay was reasonable in the circumstances. And that it was right to say it couldn't provide him with a copy of the witness statement or the lorry driver's details due to data protection legislation.

Mr S wasn't happy with the investigator's view and asked for an ombudsman's decision. He said it was unreasonable of AAUW to ignore his evidence and conclude he was in a blind spot at the point the lorry hit his car. And that the witness may not have seen the full extent of the events leading to this impact. And he still thought AAUW should have obtained a statement from the lorry driver before deciding whether or not to pursue recovery of its outlay. He also said that AAUW's failure to provide the lorry driver's details meant Section 170 of the Road Traffic Act had not been complied with. And he wanted to know why AAUW didn't have an obligation to at least ask the insurer of the lorry to provide him with a name and address for the service of court proceedings.

I issued a provisional decision on 18 September 2025 in which I set out what I'd provisionally decided and why as follows:

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've provisionally decided to uphold it and award £200 in compensation for distress and inconvenience. I also think AAUW needs to assist Mr S with obtaining a name and address to enable him to issue proceedings if he wants to do so.

I should say first of all that it was up to AAUW to decide whether to pursue recovery of its outlay. But its decision not to do so had to be a reasonable one and mean it treated Mr S, as its customer, fairly. This is because an unreasonable decision not to pursue recovery would have a negative impact on Mr S.

I think it would help if I set out exactly what the witness to the accident, whose details Mr S provided, said about the incident in this decision, which was as follows:

Who do you think is responsible for this incident?

The driver of the car not the lorry driver.

Reason:

The male driving the car pulled out in front of the HGV on the roundabout without clear view of any traffic coming towards him from the same direction as the HGV. The HGV driver, being higher up and seated on the right hand side of the cab, would not have been able to see the car in front of him.

Incident description:

The male car driver (vehicle 1) seemed unsure of which lane to go into when approaching the roundabout, on entering Whitehouse Road, in front of the car I was a passenger in (vehicle). He moved from the right hand lane into the left then, moved to the right-hand lane again in front of the car I was in, causing my friend to apply her brakes, as if he was intending to turn right on the roundabout. An HGV (vehicle 2) was coming from the right onto the roundabout along the B489. The car stopped at the give way markings on the road and the HGV stopped on the roundabout, partially blocking the right-hand lane of Whitehouse Road but, leaving room for cars to pass behind him from the B4289 onto Whitehouse Road. The male in the car then started to pull out onto the roundabout in front of the HGV. The HGV then went to move forward as traffic had cleared ahead of him. The HGV driver could not have seen the car but someone beeped their car horn and the HGV stopped. The car then pulled out again in front of the HGV as the HGV pulled away again hitting the car which was, by then, almost directly in front of left-hand side of the HGV. I was unable to stop to get full details as my friend and I were on our way to a funeral.

I am hoping that Mr S will see from this that what the witness said put AAUW in a difficult position. And he will be able to understand why it led to it deciding not to pursue recovery of its outlay on his claim. I say this because the statement does suggest the witness saw the whole sequence of events prior to the collision between the lorry and Mr S's car. And, as she saw it, Mr S shouldn't have pulled out because the lorry hadn't actually seen him. Obviously, I appreciate Mr S has said when he first entered the roundabout the lorry driver could see him. But this is not supported by what the witness has said. And, even if the lorry driver had provided a statement and accepted he could see Mr S initially, the witness statement strongly supports an argument that he couldn't see him at the point he hit him. And this suggests Mr S was in his blind spot at this point. And I think it would have been very difficult for AAUW to argue some or most of the fault for the collision rested with the lorry driver in light of this and what the Highway Code says about safely entering a roundabout.

In the circumstances, I can see why AAUW didn't want to spend time and resource obtaining a statement from the lorry driver and pursuing recovery of its outlay on Mr S's claim. And I think, if it had, it would have been extremely unlikely to have successfully recovered its outlay on the basis the lorry driver was completely at fault for the incident. I think there would have been a slim chance of a split liability settlement, but this would still have left the claim recorded as what is described on the central database for claims as bonus-disallowed. Although, insurers often refer to these as fault claims. This means the impact on Mr S in terms of his premiums moving forward would have been the same as if he was held 100% responsible for the accident.

So, I don't think AAUW's decision not to pursue recovery was unreasonable. But, even if I had concluded it was, I still would think it hadn't made any difference to Mr S's situation because I do not think it would ever have made a full recovery. This having been said, if once Mr S has details of the lorry driver's insurer, he pursues recovery of his excess and recovers it in full, either through the courts or by the insurer admitting the lorry driver was responsible, I would expect AAUW to mark his claim as bonus-allowed (non-fault). I have dealt with the issue of establishing who the insurer is below.

None of what I have said above means I think AAUW handled the matter well. In fact, I think it handled the recovery issue and Mr S's concerns about this quite badly. I say this because it didn't provide him with the full text as above of the witness statement and properly explain to Mr S why it wasn't pursuing recovery and why it wasn't going to obtain a statement from the lorry driver. And, if it had, it would most likely have made it much easier for Mr S to understand its position and caused him a lot less frustration.

I also think AAUW should have helped Mr S by either providing details of the lorry driver's insurer if it had them, found them out and let Mr S have them or helped Mr S find them. I say this because, as a customer, he didn't have access to the information AAUW had access to and so it would have been very difficult for him, and probably impossible, to find out who the insurer was. And once he had details of the insurer he would have been able to pursue recovery of his excess himself if he wanted to. So, to treat Mr S fairly as its customer, I think AAUW needed to help him establish who the insurer was or provide him with its details if it had them. I appreciate AAUW couldn't provide the lorry driver's details due to data protection issues, even though the lorry driver really should have provided them to Mr S at the time of the accident in accordance with his obligations under the Road Traffic Act. But this didn't mean AAUW couldn't tell Mr S or help him establish who the lorry driver's insurer was. And I think the fact it didn't was very poor customer service and caused Mr S further unnecessary distress and inconvenience.

I think the level of distress and inconvenience Mr S experienced because of the abovementioned failings by AAUW warrants a compensation payment for the level described on our website as follows:

If an error has caused the consumer more than the levels of frustration and annoyance you might reasonably expect from day-to-day life, and the impact has been more than just minimal, then an apology won't be enough to remedy the mistake.

An award between £100 and £300 might be fair where there have been repeated small errors, or a larger single mistake, requiring a reasonable effort to sort out. These typically result in an impact that lasts a few days, or even weeks, and cause either some distress, inconvenience, disappointment or loss of expectation.

And I think in Mr S's case, bearing in mind how much time he had to invest in expressing his concerns and the frustration it clearly caused him, AAUW should pay him £200 in compensation.

I also think AAUW should either provide Mr S with details of the lorry driver's insurer or assist him with establishing who it is.

My provisional decision

For the reasons set out above, I've provisionally decided to uphold Mr S's complaint about AA Underwriting Insurance Company Limited and require it to do the following:

- *Either provide Mr S with the details of the lorry driver's insurer at the time of his accident or assist him with establishing who it is.*
- *Pay him £200 in compensation for distress and inconvenience.*

I gave both parties until 2 October 2025 to provide further evidence and comments in response to my provisional decision.

AAUW has responded to say it accepts my provisional decision.

Mr S has responded with detail further comments on the circumstances of the accident giving rise to his claim. And on some of AAUW's comments. And he's provided some photographs to help explain his point of view. He's questioned the reliability of the witness statement and explained why he thinks it is inaccurate. He's asked me to provide my comments on his further observations. He's concluded by saying that broadly he is happy with the outcome to his complaint I set out in my provisional decision, but that he'd also like me to include the following:

- i. That AAUW must request a statement from the driver of the lorry which collided with his car.
- ii. That AAUW must obtain confirmation from the lorry driver's insurer that they will accept service of proceedings relating to his proposed claim and provide him with their address for service, plus their reference and full contact details, including their postal and email address and telephone number.

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've noted Mr S's query about AA's statement in one of its emails that the lorry driver's insurer had denied liability. But, as far as I can see, this was incorrect, as AAUW never contacted the actual insurer of the lorry.

I've considered Mr S's detailed comments about his accident very carefully. Having done so, I can see the witness could have been mistaken to some extent. For example, the lorry may not have been partially blocking the lane Mr S was in as she suggested. And I can see from the photograph of the vehicles after the accident this seems unlikely. However, this doesn't alter my view that AAUW's decision not to pursue recovery was reasonable. Or that their decision not to obtain a statement from the lorry driver was also reasonable.

I think the reality is that Mr S sees what happened very differently to the way the witness saw it. But this doesn't alter the fact that what the witness said in her statement led AAUW to think its chances of recovery were slim. I appreciate that if the matter had gone to court the witness could potentially have been cross-examined. But to get to this stage would have led to AAUW investing a great deal more time and possibly incurring costs they would not get

back, purely on the basis the witness was mistaken and would admit this if cross-examined. And, AAUW would have thought – quite reasonably – that if the lorry driver provided a statement it would most likely be in line with what the witness had said. So, while I appreciate Mr S has strong views on the matter, I still think AAUW's decision not to obtain a statement from the lorry driver and pursue recovery of its outlay was reasonable in the circumstances.

This means I do not consider it would be appropriate for my final decision to require AAUW to obtain a statement from the lorry driver. Ultimately, if Mr S makes a claim for his uninsured losses to the lorry driver's insurer, it will obtain a statement from the lorry driver. And, if the matter proceeds to court Mr S will get a copy of it. But I am not going to require AAUW to obtain it at this stage.

I do however think Mr S's second request is reasonable. As it is really just a more detailed version of the first requirement I set out in my provisional decision. So, I think it is fair and reasonable for me to require AAUW to do what Mr S has asked, otherwise it could be very difficult for him to pursue his uninsured loss claim.

As AAUW has accepted my provisional decision and Mr S is happy with the compensation I suggested for distress and inconvenience, I see no reason to change this.

Putting things right

For the reasons set out above and in my provisional decision, I've decided to uphold Mr S's complaint about AAUW and require it to do the following:

- Pay Mr S £200 in compensation for distress and inconvenience.*
- Establish who the lorry driver's insurer was. And obtain confirmation from them that they will accept service of proceedings relating to Mr S's proposed claim. And provide Mr S with the insurer's address for service of proceedings, plus their reference and full contact details, including their postal and email address and telephone number.

* AAUW must pay the compensation within 28 days of the date we tell it Mr S accepts my final decision. If it pays later than this, it must also pay interest on the compensation from the deadline date for settlement to the date of payment at 8% a year simple.

My final decision

I uphold Mr S's complaint about AA Underwriting Insurance Company Limited and require it to do what I've set out above in the 'Putting things right' section.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr S to accept or reject my decision before 12 November 2025.

Robert Short
Ombudsman