

The complaint

Mr P has complained about the way AXA Insurance UK Plc dealt with another driver's claim against his motor policy

What happened

Mr P said he accidentally hit another driver's parked car in August 2023. He exchanged details with this other driver. Unfortunately, after that, so around 15 days later, Mr P said he then became ill and had multiple hospital stays and visits (unconnected with this incident) for almost a year. Therefore, he never reported the accident to AXA, and he also couldn't respond to its emails, letters, or messages about the incident.

On that basis, AXA said, as it hadn't heard from Mr P about the accident, it had to deal with the other driver's claim for damage to his car, which it settled with the other driver's insurers. AXA also said it didn't know Mr P was ill at this time either.

When Mr P was well enough, he saw that AXA had appeared to pay the other driver around £10,000 for the damage to this other driver's car. Mr P is adamant he didn't cause that amount of damage to the other driver's car from this incident. The claim was marked as his fault on his insurance record and that meant his No Claims Discount (NCD) was also reduced, so both causing Mr P to have to pay a higher premium for his motor insurance.

Mr P asked AXA to provide him with the evidence of the damage to the other driver's car which he said it couldn't do. And AXA then paid Mr P a total of £75 compensation as it couldn't provide Mr P with the breakdown details of the damage to the other driver's car.

Mr P remained dissatisfied and brought his complaint to us. To resolve his complaint, he wanted AXA to remove the claim from his insurance record, take on the claim costs itself and pay him appropriate compensation for the upset it had caused him.

The investigator didn't think AXA had done anything wrong under the terms of the policy, so he didn't uphold Mr P's complaint, meaning that AXA didn't need to do anything more to resolve the complaint. Mr P didn't agree so his complaint has been assigned 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 this complaint. I do appreciate and understand that Mr P will be very disappointed, so I'll now explain why.

My job is to assess what if anything AXA did wrong in both its dealings with the other driver's claim against Mr P's motor policy and its dealings with Mr P, having regard to its legal duties and its duties under the terms and conditions of the policy.

What the law says

First, the law, more particularly the road traffic legislation, requires every insurer of any vehicle on the road to respond to any claim made by another driver. So, when this other driver claimed to AXA that Mr P hit his parked car and caused damage, AXA were duty bound by law to respond to that claim, because it insured Mr P and his car.

In responding to that other driver's claim, AXA then tried to contact Mr P. Given that Mr P was ill and couldn't respond to any of AXA's attempts to contact him, AXA then had to deal with this other driver's claim without any information from Mr P. Mr P didn't tell AXA he was too ill at that time to reply and no one else on Mr P's behalf contacted AXA to tell it Mr P was ill either. AXA simply never knew at all that Mr P was so ill.

So given the law says AXA has to deal with this other driver's claim, AXA was under a serious and real legal duty to deal with this other driver's claim despite the fact that Mr P or anyone on his behalf had told AXA he was too ill to talk about it. Therefore I don't consider AXA did anything wrong in dealing with this other driver's claim in those circumstances.

What the policy says

The policy details all the duties of Mr P as the policyholder and all the duties of AXA as his car insurer.

The first thing is that the policy requires Mr P or indeed someone on his behalf to report any incident like this accident Mr P had with the other driver here. The reason for this is because AXA is legally obliged to deal with any claim against any of its policyholders as I explained above. The policy says the following:

"CLAIMS CONDITIONS...You must...notify Us of any accident regardless of blame and provide Us with full details as soon as possible..."

This didn't happen initially because Mr P was ill. So that was understandable, but it still left AXA in a situation where it didn't know Mr P was ill at all, and not for some time too, and so it didn't know what his evidence was concerning the other driver's claim.

During this time, I consider that AXA made all the necessary and appropriate efforts to contact Mr P. Initially it tried via letter, email, and a text message. Later, it followed that up with another text message and an email. In those communications it clearly explained that if it didn't hear from Mr P, it would have to deal with the other driver's claim on the best possible terms. Without Mr P or someone on his behalf explaining that Mr P was ill or explaining what Mr P's view was on the claim made by the other driver, then I consider that it's impossible to say that AXA did anything wrong in dealing with the other driver's claim on the best possible terms. This is because by law it was required to respond to this other driver's claim regardless of whether Mr P contacted it or not.

Also, like in every other motor policy, Mr P's policy with AXA has a terms which says the following:

"We shall be entitled to conduct the defence or settlement of any claim and to instruct the solicitors of Our choice to act for You in any proceedings. In circumstances where it is considered appropriate to do so We will be entitled to admit liability on behalf of You or any person claiming under the policy. Such admissions may be made prior to or after the commencement of proceedings in relation to any event likely to give rise

to a claim under the policy. We will be entitled to take action, at Our expense, to get back any payment We have made."

This kind of term is in every motor policy. So, I don't find it unusual or significant. However, it means that AXA, not Mr P or any other policyholder, is in charge of making decisions on whether to settle claims or defend them instead. Obviously, it has to do this reasonably and fairly as well.

So, in the absence of any information from Mr P, to include the fact that he was so ill at the time, I don't consider AXA could have done anything else but to deal with the other driver's claim as best it could. The other driver's insurers were threatening to issue court proceedings for the cost of the damage to the other driver's car too. It couldn't defend the fact, that as the other driver's car was parked, that would mean Mr P would have had to have been responsible for causing the accident too.

How AXA dealt with the other driver's claim on Mr P's policy

Because the other driver's car was parked so the accident couldn't be the other driver's fault, the other driver's insurers detailed his claim to AXA. First, there was damage to his car which was claimed at costing around £4,000. There was also car hire charges of around £5,000. Given the other driver couldn't have caused this accident since his car was parked, he was then entitled to car hire until his car was repaired.

In order to save costs and in order to avoid court, under varying regulations insurers are allowed to make agreements with each other as to how they share information together and how they come to decisions on claims. One of these is what is called a RIPE agreement. Basically, both insurers trust each other to assess claims fairly so they don't need to waste costs in instructing engineers to assess repair costs etc. Both AXA and the other driver's insurers dealt with this claim under a RIPE agreement. This also meant the details Mr P wanted to know about the damage to the other driver's car wasn't really available. The other driver was able to provide a photograph of Mr P and his car to show his involvement in this accident.

However, AXA recognised this was frustrating for Mr P when he finally made contact with it over this accident, so it paid him some compensation for this of a total of £75. I consider this is a fair and reasonable sum for the frustration caused over the lack of detail in the circumstances where initially AXA didn't know Mr P was ill and therefore didn't know his thoughts on the damage caused to the other driver's car.

Mr P's present situation as regards this claim by the other driver.

Given Mr P was involved in an accident with the other driver's car when it was parked, that meant that even if Mr P had been able to contact AXA and explain the circumstances of what happened, it remains highly likely that Mr P would have been deemed as causing this accident.

That means his insurance record would have shown a fault claim and his NCD would have been effected. It's actually irrelevant how much the other driver's claim cost. If it was £1,000, £10,000 or £100,000 the actual amount of the claim doesn't have any effect on the cost of Mr P's future premiums. The only thing that does have any effect is that AXA had to pay the cost of the other driver's claim only.

Conclusion

So, taking everything into consideration, I believe that AXA acted properly in dealing with the other driver's claim, simply because legally it was required to do so. I don't consider AXA could have done anything more in contacting Mr P at the time than it did. AXA has demonstrated that it did make all these efforts to contact Mr P by letter, emails, and texts so it can't be AXA's fault that Mr P or no one on his behalf responded to them. Further given the other driver's car was parked it's highly likely Mr P would have always ended up in the situation he is now in with a fault claim recorded on his insurance record too.

My final decision

So, for all these reasons, it's my final decision that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr P to accept or reject my decision before 27 November 2025.

Rona Doyle
Ombudsman