

## The complaint

Mr D has complained about the way Tradex Insurance Company PLC (Tradex) handled a claim he made on his motor insurance policy.

## What happened

Mr D was involved in an accident in May 2025 while reversing from his driveway. There was damage caused to Mr D's vehicle, the third-party vehicle, and Mr D's neighbour's wall. Mr D made a claim on his policy with Tradex, who accepted the claim.

Tradex arranged a repairer to assess the damage, but the repairer found they didn't have the facilities to collect Mr D's vehicle. While the repairer was attempting to arrange other ways to collect the vehicle, Tradex had an engineer run a desktop assessment based on photographs of the damage. And based on this, Tradex thought the vehicle was beyond economical repair so declared it a total loss. Mr D then provided a lower estimate to repair the vehicle from an independent garage – and Tradex decided this estimate was within an economical range, so they settled the claim with Mr D on a cash-in-lieu basis.

Tradex accepted liability for the accident, agreeing to pay for the damage to the third-party vehicle and the neighbour's wall. But Mr D disagreed that he was responsible and he made a complaint about this – and about the way Tradex handled the claim more generally.

Tradex looked into what happened and partially upheld the complaint. They accepted they mistakenly sent him a letter about accepting liability before considering what happened and acknowledged their garage should have assessed their recovery capabilities before accepting to repair Mr D's vehicle – and they offered £175 compensation. But they thought they couldn't successfully defend the claim, so maintained it was reasonable to accept liability in the circumstances.

Mr D referred his complaint to our Service. He confirmed his main concern is about Tradex's liability decision and thinks he shouldn't be held at fault for the accident. Our Investigator looked into what happened but didn't uphold the complaint. He thought Tradex's liability decision was fair and that the compensation they paid was enough for any unfair claim handling.

The complaint couldn't be resolved, and it has come 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.

As ours is an informal service, I'm not going to respond to every point or piece of evidence Mr D and Tradex sent us. Instead, I've focused on what I consider to be key or central to the complaint. But I'd like to reassure both that I have considered everything submitted.

Was it reasonable for Tradex to accept liability for the accident on behalf of Mr D?

It isn't the role of this Service to decide liability – that's a matter for the courts. We do, however, look to see that insurers have acted in a fair and reasonable way. The policy, like most motor insurance policies, says Tradex is entitled to take over and conduct the defence and settlement of any claim in Mr D's name. This means Tradex can make a claim decision he disagrees with but must act reasonably when doing so.

The policy continues that Tradex can instigate proceedings at their own expense and for their own benefit to recover any payment they make. It's their choice to do so, but court proceedings can be expensive, so insurers will usually consider whether it's likely they will recover costs from the other party involved before pursuing them through the courts.

Tradex said drivers must check all around before reversing and give way to all other road users. They said as the third-party vehicle had the right of way, the onus was on Mr D to ensure the road was clear before reversing. They felt liability rested with Mr D, so it wasn't a matter they would pursue in court because they thought the available evidence would likely result in a ruling in favour of the third-party driver.

I've reviewed the photographs, video footage, witness reports, and other evidence Tradex relied on to determine whether they should accept liability. One of the independent witnesses told Tradex they didn't agree the third-party driver was going too fast. And that when Mr D was reversing off the driveway into the road, he'd mentioned he struggled to see down the road. The witness also drew a picture of the impact which showed Mr D's vehicle protruding into the road.

The photographs and video seem to show the accident happened in the way all the parties have explained – that Mr D was reversing and the third-party driver crashed into the back of him, pushing his vehicle against the neighbour's wall. But I can understand why Tradex think they also show Mr D was protruding into the road, that the third-party vehicle was proceeding forward on the road rather than the pavement, and that it doesn't show the speed the third-party was travelling.

Mr D thinks Tradex's decision is unfair and insists the third-party driver was at fault for what happened since they were driving without due care and attention. He says that his car was still on the path when it was hit, that the third-party driver was speeding, and they admitted at the scene their mind was elsewhere.

I appreciate that the third party may have told Mr D they have a lot on their mind and they were speeding, and that may well be the case, but I think it's reasonable for Tradex to think that won't be persuasive evidence in court. From Mr D's testimony of what happened, the witness reports, the video footage and the photographs, I think it was fair for Tradex to say they felt they had to settle the third party claims since the onus of care was on Mr D as the emerging vehicle.

Ultimately, I'm persuaded by Tradex's reasoning as to why, on the balance of probabilities, they wouldn't recover costs from the third party in court is a fair one and one they're entitled to take. So, I think it's reasonable for them to have conceded on liability – and I won't be directing them to change the outcome of the claim.

#### Was it fair for Tradex to consider Mr D's vehicle was beyond economic repair?

Mr D's policy says that, for an accidental damage claim, Tradex will decide either to repair the damage; pay to have the damage repaired; pay to replace what's lost or damaged if it's more cost effective than repairing it; or pay Mr D an amount equal to the loss or damage. So,

it's Tradex's choice whether to repair a vehicle or pay the market value for it after an accident. I would still expect Tradex to act reasonably when coming to this decision.

Tradex's engineers have shown that to fix Mr D's vehicle, it would have cost over 80% of what they considered its market value. I appreciate Mr D said Tradex should have had the vehicle physically inspected. But their recommended garage couldn't promptly collect the vehicle and Tradex's engineer felt they could reasonably assess the damage based on the photographs alone. I'm not persuaded a physical inspection would likely have led Tradex to a different outcome, so I'm satisfied it wasn't unreasonable to have a desktop assessment done. And, since nothing about the engineer's assessment stands out as being factually inaccurate, I find it fair for them to determine the vehicle was beyond economical to repair based on this.

I appreciate Mr D later had a cheaper quote for repairs which Tradex accepted, and cash settled so Mr D could have the repairs done himself. But this doesn't mean it was unfair for them to agree with their engineer's assessment that the vehicle was beyond economical repair. And I haven't seen evidence to show Tradex's costs were inflated. The quote Mr D received included the use of second-hand parts from salvage which are likely going to be much cheaper than the ones Tradex's repairers use. Mr D has questioned why Tradex wouldn't use similar parts, but if they were going to be responsible for repairs, I would expect them to make sure they're thorough and long lasting. And I note Tradex's engineer said the costs may have increased further once the vehicle was physically inspected.

Ultimately, Tradex agreed to pay Mr D a cash settlement for the amount his independent repairers quoted. This was the outcome Mr D requested – and I don't think it was unreasonable for Tradex to agree to it considering Mr D wanted the car repaired rather than written off.

#### Should Tradex have transported Mr D's vehicle to the repairer?

After Tradex's recommended repairer agreed to assess the damage to Mr D's vehicle, they found they didn't have a suitable way to transport it to their garage. Tradex accepted the repairer should have assessed their recovery capabilities before agreeing to repair Mr D's vehicle. I was pleased to see they've apologised for this and offered compensation. I've considered whether the amount of compensation they've paid Mr D was fair later in this decision, along with the more general service issues Mr D raised.

Mr D thinks Tradex should have transported his vehicle to his chosen repairer after the settlement was agreed. I haven't seen anything in the policy that requires them to do this. But even if I thought they should have offered to do so, I understand Mr D drove his vehicle to the garage, so I don't think Mr D incurred a loss to put right here.

Mr D says it needs to be addressed whether the repairer should be on Tradex's network of approved repairers if they're incapable of transporting a vehicle like his. I appreciate his concern, but whether Tradex should have the repairers in their network more generally isn't within the remit of this complaint. So, I won't be commenting on this.

#### Did Tradex handle Mr D's Claim fairly more generally?

From looking through the correspondence, I see that Tradex had assessed the damage and confirmed the vehicle was a total loss within several days of Mr D reporting the accident. Then in early June Mr D provided the estimate from his preferred repairer and around a week later, Tradex agreed to offer the settlement which Mr D accepted. I think Tradex dealt

with the claim promptly and haven't found they caused any unnecessary or unavoidable delays.

I appreciate Mr D let us know he complained about delays on behalf of the neighbour in dealing with their wall. But Mr D's neighbour isn't eligible to bring a complaint to our Service in connection with Mr D's policy, and any delays in communicating with the neighbour won't have affected Mr D's claim in any meaningful way, so I won't be commenting on this part of the complaint.

Mr D's policy says Tradex will provide a courtesy car whilst an approved repairer fixes his car. But it points out that the provision of one is subject to availability. There's no allowance in the policy for a provision of a courtesy car when Tradex decided Mr D's vehicle was a total loss. Nor for when he agreed to a cash settlement for his own repairer to repair his vehicle. And it's not unusual for a policy to not allow a courtesy car if a vehicle is either written off or repaired by a non-approved repairer. And since I haven't found Tradex caused any unnecessary delays, I also don't think Tradex needed to provide any alternative transport for Mr D outside of the policy terms either. So, I don't think it was unfair for Tradex to not provide a courtesy car to Mr D in the circumstances.

Tradex admitted they accidentally told Mr D he was responsible for the accident in a letter in late May 2025. Although this didn't have any impact on the claim itself as when they looked into what happened they decided to concede on liability, I think it will have been distressing for Mr D to think they were accepting liability without investigating what happened. I also think Tradex caused some loss of expectation around their recommended garage being able to collect the car and likely will have caused some confusion when they told Mr D they should have transported Mr D's vehicle to his new repairer but then later changed their mind. I agree they handled things unfairly at times, and I think some compensation is warranted for the distress caused.

Mr D has also said that Tradex's claim handlers were less than courteous over the phone and provided poor service. I note that he wants us to listen to the calls between Tradex and him, but he hasn't provided specific details of how they acted unreasonably towards him or on which calls. Tradex have offered to look into this further if Mr D could give details of unfair behaviour and I find this reasonable. I haven't chosen to listen to all of the calls to find instances of unfair behaviour. But Tradex have already paid Mr D £175 in compensation – and, on the whole, this is in line with the amount I would award even if there were instances where I felt Tradex's handlers could have handled calls better. I think, in the round, the £175 compensation Tradex paid isn't unfair, and I won't be directing them to pay more than this.

### **My final decision**

For the reasons above, I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr D to accept or reject my decision before 18 February 2026.

Andrew Wakatsuki-Robinson  
**Ombudsman**