

The complaint

Mr H has complained that The National Farmers' Union Mutual Insurance Society Limited has refused to pay his claim under his motor insurance policy. And about the way it was handled.

What happened

Mr H was involved in a collision with a third party vehicle in April 2024. His car was damaged and it seems that he arranged for it to go to a local garage to be repaired. From what he said to NFU when he actually said he wanted to claim for the damage to his vehicle, it also seems it wasn't drivable and he obtained a hire car through his company. It seems Mr H was going to claim from the third party's insurer (TPI) via an accident management company (AMC). But when the TPI told NFU the third party wanted to claim against Mr H, NFU wrote to him. This prompted Mr H to call NFU. And he agreed with the claim handler on 14 June 2024 that his car would be picked up from the garage that it was at by one of NFU's approved repairers and repaired there. And the handler told Mr H he'd get a courtesy car from the approved repairer.

It is not clear what happened to Mr H's car in the meantime, but on 25 July 2024 NFU was told by the TPI that the third party had said a woman was driving Mr H's car at the time of the accident with two children in the back. This led to NFU's claim handler referring the claim to its Claim Validation Unit (CVU). They instructed a claims investigator to obtain statements from Mr H and his wife, Ms K. They also tried to contact the witness Mr H had said saw the accident and provided his telephone number to him.

It took quite a while to arrange the statements and Ms K was not actually interviewed until February 2025. There were some discrepancies between Mr H and Ms K's statements. So, NFU wrote to Mr H to ask him to explain these. He wrote back with his explanation. It seems NFU then decided to decline Mr H's claim. But – as far as I can see - it didn't tell Mr H this. Mr H then called in June 2025 to chase up his claim and was told at this point it had been declined.

Mr H complained to NFU. It issued a final response letter in which it maintained that its decision to decline Mr H's claim was correct. But it accepted it had not told him about this when it should have done and paid him £100 in compensation in recognition of this.

Mr H asked us to consider his complaint. One of our investigators did this. He said that he was satisfied that NFU was entitled to reject his claim. This was because he thought on the balance of probabilities Ms K was driving Mr H's car at the point it was involved in the accident.

Mr H didn't agree with the investigator's view and asked for an ombudsman's decision. He said he'd provided all the evidence he had. And that the position remains that NFU had admitted a delay in reaching its decision on his claim. And he thinks this directly caused him financial hardship. And that the core of his complaint is that he suffered a financial loss as a direct result of NFU's delay in making a decision on his claim, which should be the central consideration in his complaint.

I issued a provisional decision on 22 December 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.

I appreciate Mr H thinks the central consideration in his complaint should be the delay in NFU making its decision on his claim. But in the complaint form he submitted to us he said his complaint was about his claim and he mentioned that it had been declined. And in the section asking what he wanted NFU to do to put things right, he said he wanted it to pay for the repairs to his car. So, I actually think the central issue is whether NFU was right to turn down Mr H's claim.

NFU turned the claim down because it thought Mr H had lied about who was driving his car at the time of the accident. And because – if Ms K was driving – she wasn't insured under Mr H's policy with NFU. And, if this were true, all the delays on Mr H's claim would flow from him lying. Therefore, I do not think it is appropriate for me to focus simply on the delay on NFU's part in making its decision to decline Mr H's claim and communicating this to him. Therefore, I have reviewed the evidence provided by NFU on its investigation into Mr H's claim. And I don't think its investigation was good enough. I say this because, as far as I can see, it never obtained an actual copy of the third party's statement from the TPI. And it never interviewed the third party. I think this was poor because it seems fairly obvious to me that the third party's recollection of the accident was suspect. I say this because Mr H's car is a coupe and there is no space behind its two seats. So, it would not have been possible for Ms K to have had two children in the back. No-one at NFU or its claims investigator seems to have picked up on this. And it doesn't seem that NFU ever told Mr H this is what the third party had said and asked him to comment on it. This was a major failing, as it might be that Mr H and Ms K don't have children and do not know anyone whose children they could have had in their car. But they were never given the opportunity to challenge this part of the third party's testimony. All Mr H seems to have been told was that the third party had said Ms K was driving and not him.

I can see that NFU did ask the ACM for a copy of the claim form Mr H had provided to them to see whether he'd put himself as the driver at the time of the accident. I'm not sure whether it has ever managed to get this, but it certainly hadn't got it at the point it decided to decline Mr H's claim, which I also think was poor.

So, as things stand, I think the fair and reasonable outcome to Mr H's complaint is for me to require NFU to re-open his claim and obtain the actual statement provided by the third party to the TPI. I also think it should interview the third party and challenge his assertion that there was two children in the back of Mr H's car by pointing out to him there is no space in the back of it. NFU should also obtain a copy of the claim form (if there is one) and any other evidence Mr H or Ms K submitted to the ACM.

NFU should also give Mr H the chance to comment on what the third party says and what is on the claim form. And to provide any other evidence which he thinks will back up his version of events.

Once NFU has all this additional evidence it should reconsider Mr H's claim in light of it. It should also reconsider what Mr H said about the discrepancies between his and Ms K's statements. If NFU then decides it should settle Mr H's claim for the repairs to his car, it should also consider any financial loss and distress and inconvenience that flow from what turned out to be its incorrect decision to reject it.

If, having obtained the further evidence set out above, NFU decides it was right to reject Mr H's claim, it should let him know. If Mr H then wants to make a further complaint about this he can do so. And if he is not happy with NFU's response to his complaint, he can bring another complaint to us, which we will consider in light of the new evidence available.

I do of course appreciate all this will cause a further delay, but I believe it is fair and reasonable because I do accept that based on what the TPI has said and the discrepancies between Mr H and Ms K's statements, there is some doubt as to who was actually driving Mr H's car at the point it was involved in the accident he has claimed for.

My provisional decision

For the reasons set out above, I've provisionally decided to uphold Mr H's complaint about The National Farmers' Union Mutual Insurance Society Limited and require it to do what I've set out above.

I gave both parties until 10 January 2026 to provide further comments and evidence in response to my provisional decision.

NFU has responded to say it accepts my provisional decision.

Mr H has responded and said he thinks NFU should settle his claim as it has taken it a long time already to consider it.

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 am pleased that NFU has accepted my provisional decision. And, while I appreciate Mr H's comment that it has already taken a great deal of time to consider his claim, I think the evidence available suggests the matter needs further investigation before NFU can know settling it is the right thing to do. I say this, as I think there is a question mark over who was driving Mr H's car at the time of the accident. And I think this needs to be investigated further. So, at this stage, I do not consider it would be appropriate for me to require NFU to settle Mr H's claim.

Putting things right

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

- Re-open Mr H's claim and obtain the actual statement provided by the third party to the third party insurer.
- Interview the third party and challenge his assertion that there was two children in the back of Mr H's car by pointing out to him there is no space in the back of it.
- Obtain a copy of the claim form (if there is one) and any other evidence Mr H or Ms K submitted to the accident management company.
- Give Mr H the chance to comment on what the third party says and what is on the claim form. And to provide any other evidence which he thinks will back up his version of events.

- Once NFU has all this additional evidence it should reconsider Mr H's claim in light of it. It should also reconsider what Mr H said about the discrepancies between his and Ms K's statements.
- If NFU then decides it should settle Mr H's claim for the repairs to his car, it should also consider any financial loss and distress and inconvenience that flow from what turned out to be its incorrect decision to reject it.
- If, having obtained the further evidence set out above, NFU decides it was right to reject Mr H's claim, it should let him know and explain why it thinks this.

My final decision

I uphold Mr H's complaint about The National Farmers' Union Mutual Insurance Society 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 H to accept or reject my decision before 9 February 2026.

Robert Short
Ombudsman