

The complaint

Mr S complains that AXA Insurance UK Plc (AXA) has unfairly handled and decided a claim under his motor insurance policy.

What happened

The circumstances of this case are known to both parties, but in summary Mr S has a motor insurance policy underwritten by AXA. In October 2024, Mr S was involved in a road traffic collision on a roundabout. He says a third party (TP) vehicle moved into his lane and collided with his vehicle. Mr S said the TP wasn't prepared to provide his insurance details at the scene and so he subsequently notified AXA of the claim and that he didn't consider himself responsible for the collision.

AXA accepted the claim and confirmed that it would try to pursue the TP insurer for all its outlay based on the circumstances described to it. The TP insurer subsequently disputed liability but agreed to proceed on a split liability basis. AXA decided this was the most appropriate way forward and so agreed to settle the claim on this basis. However, Mr S didn't agree with the decision and felt AXA should have proceeded in taking the matter to the courts. So Mr S complained to AXA.

AXA didn't agree that it had acted unfairly when deciding the claim but agreed it had caused some minor service issues during its claim handling. So, it paid Mr S £50 compensation in recognition of this. Unhappy with AXA's response, he referred his complaint to this Service.

Our Investigator didn't uphold the complaint as they were satisfied AXA had responded to the claim fairly and agreed that the £50 compensation it had paid was reasonable in the circumstances.

Mr S disagreed and asked for an Ombudsman to make a final decision as he remained of the view that AXA and its agents failed to pursue the claim properly, and pressured Mr S into accepting the split liability despite his evidence supporting the TP should be wholly liable. Mr S also said AXA abandoned the court option without any explanation, and this has left Mr S out of pocket due to only recovering 50% of his excess, and the increased premiums for future cover.

So, the case has been passed 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.

While I recognise Mr S will be disappointed with my decision, I do not uphold this complaint. I'll explain why.

I know I've summarised the circumstances of this case in less detail than presented. But I want to assure both parties that I've carefully considered all the information provided. I may

not respond to every point or piece of evidence. But I've focused on the issues I consider to be key to the outcome of the case. This isn't meant as a discourtesy but reflects the informal nature of this Service – and the rules this Service are expected to adhere to enable me to do this.

I acknowledge Mr S has strong views about what happened during the incident. But I should first set out that it isn't the role of this Service to decide who was responsible for an accident. This is something that can only be determined by a court of law.

Relevant regulatory rules say firms should handle claims promptly, and fairly. So, the starting point with any insurance claim is the policy terms, which set out the agreement between an insurer and its policyholder. Mr S's policy terms confirm that in the event of a claim, AXA may take over, defend or settle the claim. In short, this means AXA can decide how best to conclude the claim. This may mean AXA reaches a decision that its policyholder doesn't agree with. But any decision made should be fair and reasonable – so it should consider all available evidence.

Upon submission of the claim, Mr S provided AXA with his version of events, a diagram, and photos of the road where the incident took place. Based on this information, AXA chose to pursue the TP insurer for its full outlay. However, the TP insurer subsequently confirmed it would be disputing liability. And so, I don't find it unreasonable that AXA took into account the TP insurer's response and evidence.

The TP insurer put forward an offer of split liability which AXA decided to accept. I can see that when deciding whether to accept the offer, it considered all available evidence, and its solicitor's opinion that this was likely the most favourable outcome based on the evidence available. Given the absence of any other conclusive evidence, such as dash cam or CCTV footage – I don't find this to have been an unreasonable decision.

I recognise Mr S is of the view that AXA should have proceeded to take the matter to the courts as he requested. And that prior to the introduction of dash cam technology, a court would have given weighting to the remaining evidence. But it is within AXA's commercial judgment to decide whether it wishes to proceed in taking this action. It will make this decision based on what it considers its likelihood is of being able to successfully defend the case. Courts expect parties to use their time efficiently and appropriately. And I don't find it unreasonable for AXA to determine that this case isn't a worthwhile use of the court's resources – given the circumstances of the incident, evidence supplied and the opinion of AXA's solicitors.

I've also considered Mr S's concern that AXA pressured him to accept the split liability outcome, but I've seen no information to suggest he was inappropriately pressured. And as I have explained above, AXA has the right to defend or settle the claim as it sees fit.

I think it would also be helpful to explain that, while insurers typically refer to claims as "fault" or "non-fault", the actual terminology is "no claim bonus allowed" or "bonus disallowed". The term "fault" isn't to suggest that AXA has found Mr S to be at fault for the incident but reflects that it has been unable to recover all its costs from another party, such as a TP insurer. So, as AXA was unable to recover its costs in full, I'm satisfied it wasn't unfair for AXA to record the claim the way it has. I recognise Mr S is unhappy about the future impact of this claim decision, but this doesn't mean that AXA has acted unfairly in the circumstances.

That said, I agree there were instances where AXA could have acted more proactively, for example, when refunding Mr S 50% of his excess. And this understandably caused some distress and inconvenience. AXA has paid £50 in recognition of this and having taken all available evidence into account, I don't find this amount to be unreasonable. This figure is

consistent with our award bands for cases involving a small administrative error or a short delay and is consistent with what I would have awarded had no offer been made. So, I'm satisfied the figure paid by AXA is fair and proportionate, and I won't be directing AXA to do anything more here.

My final decision

My final decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr S to accept or reject my decision before 12 March 2026.

Oliver Collins
Ombudsman