

complaint

Mr A has complained about UK Insurance Limited's ("UKI") settlement of a third party claim against his policy despite the fact that he maintains that he was not in the area at the time of the incident.

background

UKI was contacted by a third party insurer to advise that its policyholder, Mr A, had been involved in a collision. The third party provided the description of Mr A's car including registration details and his name and contact details. The third party stated that the driver had provided this information at the scene of the collision.

Mr A advised UKI that he had not been involved in a collision outlining that he was at a hospital appointment at the time of the reported incident, providing a letter from the hospital confirming his appointment and attendance on the day and time specified.

After reviewing Mr A's evidence, UKI initially accepted the information to be reasonable. However, after the third party issued court proceedings UKI chose to settle the third party claim on the basis that it did not consider his evidence sufficient to defend the claim. UKI considered that the details provided by the third party, which were accurate, would hold more weight should the matter reach court.

Mr A requested that UKI reinstate his no claims discount (NCD) and refund his additional premiums and outlined that he has incurred significant costs that he would not otherwise have done. He states that he was forced to move home to be able to work, incurred rental charges as he has been unable to insure a vehicle and other costs as a result of the settlement of the claim.

Although the adjudicator accepted UKI had to act on the evidence that was available to it he upheld the complaint, as he did not consider that UKI had carried out a reasonable investigation into the claim. He was of the opinion that whilst the details provided were accurate, UKI had failed to carry out an assessment of Mr A's car at the time or to establish if Mr A's details could have been obtained by other means. The first contact it made with Mr A was approximately two months after the accident.

The adjudicator recommended that UKI should reinstate Mr A's NCD and refund any additional premiums paid as a result of the claim. He made no further recommendation of award, as he did not consider that UKI were liable for the additional costs brought by Mr A.

Although UKI agreed to the adjudicator's recommendation Mr A was unhappy, as no award was offered in regards to the additional costs he raised and so the matter has been escalated to me for a final decision.

my findings

I have considered all the available evidence and arguments to decide what is fair and reasonable in the circumstances of this complaint.

Although I can understand why UKI chose to settle the claim I agree with the adjudicator that it did not do enough to investigate Mr A's position. Although the third party provided full contact and vehicle details for Mr A when the claim was recorded Mr A produced strong

evidence that he was in fact at the hospital at the time of the accident. Including a letter from the hospital confirming the date and time of his appointment and confirmation that he actually attended. It follows that it is more likely than not that Mr A was at the hospital at the time of the accident as he maintains.

UKI could have done more to verify the details of the claim. It is possible that Mr A's details were used by another party. Indeed Mr A outlined that he advertised for work on his car providing his full contact details. It is surprising that UKI did not take the opportunity to assess Mr A's car and any possible damage to it, which would have provided confirmation one way or the other as to whether his vehicle had been involved in an accident.

Ultimately, UKI failed to assess Mr A's vehicle for accident related damage conducive with the claim.

However, I have not been provided with sufficient evidence that Mr A incurred costs because of UKI's actions over and above those already accepted by UKI. Although I am satisfied that as a result of UKI's actions that Mr A has experienced stress and inconvenience and that he should be awarded a moderate amount of compensation, in line with the guidelines set out on our website.

my final decision

It therefore follows that I uphold Mr A's complaint and order UK Insurance Limited to;

- amend the claim against his policy to non-fault;
- reinstate his no claims discount and confirm the position in writing to Mr A;
- refund any additional premiums incurred adding interest at our usual rate of 8% per annum;
- pay Mr A £200 compensation.

Colin Keegan
ombudsman