

complaint

Ms D complains that Admiral Insurance Company Limited made a mistake when it settled a claim against her motor insurance policy and recorded it as a fault.

background

A third party contacted Admiral and said its vehicle had been hit by Ms D's car while it was parked. Ms D said she was not involved in the incident and that Admiral hadn't investigated the claim properly.

In our adjudicator's opinion Admiral had acted reasonably by settling the third party claim based on the information presented to it. She noted Admiral had settled the claim on a "without prejudice" basis allowing Ms D the possibility of challenging the third party claim herself.

In response, Ms D said it was disappointing that the adjudicator had not taken a view on liability for the incident. She requested that the Financial Ombudsman Service use its inquisitorial jurisdiction to assess whether Admiral's investigation was adequate.

my findings

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

I appreciate that Ms D would like me decide on liability for the incident. Our service is an informal alternative to court which cannot compel evidence from third parties, cross-examine witnesses or take evidence under oath. In this case, the circumstances of the incident are disputed. Without the ability to cross-examine witnesses, I do not feel I can properly assess the incident so I am satisfied that it is for the courts to determine liability.

My role is to consider whether or not Admiral's decision to settle the claim was reasonable based on the information and evidence with which it was provided.

Admiral was contacted by the third party's insurer who advised its insured's vehicle had been hit while it was parked. It said that an independent witness had placed Ms D's registration number on the windshield of the third party's vehicle. I can see that Admiral contacted the witness to verify the information. The witness confirmed that he or she had seen the incident and gave a description of the car and its occupants. I am satisfied that Admiral took reasonable steps to investigate the claim and to establish the facts of the incident.

The terms and conditions of Ms D's motor insurance policy allow Admiral to take over and settle a claim on Ms D's behalf. Admiral decided there was a credible witness and Ms D agrees she was driving in the location of the incident at the time it took place. I find it was reasonable for Admiral to conclude it would not be able to defend the claim in court. I understand Ms D feels strongly that the decision to settle was wrong but I am satisfied that Admiral was entitled to take that decision given the circumstances of the claim.

Admiral has admitted it failed to inform Ms D that it would be settling the third party's claim and has paid Ms D £150 for this mistake. I find that Admiral has done enough to resolve Ms D's complaint.

my final decision

My final decision is that I do not uphold this complaint. I make no further award against Admiral Insurance Company Limited.

Sarah Brooks
ombudsman