

complaint

Mrs M's complained that Advantage Insurance Company Limited recorded two claims against her motor insurance policy instead of one. This has increased her premiums.

background

Mr M is a named driver on his wife's policy. He was involved in an accident which led to a conviction for drink driving. The other driver's insurer reported this accident to Advantage. Another accident involving Mr M a week after the first was then reported to Advantage. The other driver provided details of Mr M's car along with his personal details which were taken at the scene of the accident.

Mr M denied any involvement in this accident, but he refused to describe his movements on the day in question. He said this was because Advantage wouldn't tell him the time of the accident. Advantage said this was done to get an accurate answer. Advantage said it had no other option than to settle the other driver's claim. Advantage offered Mrs M £25 compensation for its failure to return phone calls.

Our adjudicator didn't recommend that the complaint should be upheld. He thought it wasn't unreasonable for Advantage to withhold details of the time of the accident. When it gave him the time, Mr M said he could prove where he was, but he hasn't done so. The adjudicator thought the payment of £25 for unreturned calls was reasonable.

Mrs M replied that Mr M wasn't involved in the second accident.

my findings

I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint.

I can see that Mr and Mrs M are adamant that they weren't involved in the second accident. It was said to have happened a week after the first which had left their car a total loss. But Advantage settled the other driver's claim and registered this as a fault claim. As a result, Mrs M's premium has increased.

Advantage said that it's entitled under the terms and conditions of its policy with Mrs M to take over, defend, or settle a claim as it sees fit. This is a common term in motor insurance policies and I don't find it unusual. But I need to decide whether Advantage acted fairly and reasonably under the terms and conditions of the policy when it made its decision.

I can see from its file that Advantage investigated the second accident. It asked for the other driver's version of events. It discussed this with Mr and Mrs M. It sent an investigator to talk to Mr M. It repeatedly asked Mr M for information about the car's whereabouts on the day in question but he was reluctant to provide this. It was then able to give Mr M the time of the accident, but he hasn't been able to back up his account of where he was at that time.

Mr M said that his wife kept a detailed daily diary and this would show where he was on the day in question. But they haven't provided this.

So Advantage had no hard evidence to counter the other driver's account. He had provided an accurate and detailed description of Mr M, his name, address and telephone number as well as the make, model and registration number of his car. Just because Mrs M's car had been deemed a total loss, that is uneconomical to repair, didn't mean that it couldn't be driven.

I think that Advantage reasonably and fairly investigated the claim by the other driver. It sought evidence of Mr M's whereabouts at the time of the accident but this wasn't provided. I think that it then reasonably decided liability and to settle the other driver's claim. This meant a fault claim was registered against Mrs M. I don't think this was unreasonable in the circumstances.

my final decision

My final decision is that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs M to accept or reject my decision before 8 January 2016.

Phillip Berechree
ombudsman