

The complaint

Mr and Mrs E complain that Soteria Insurance Limited were unfair in they settled their car insurance claim.

What happened

Mr and Mrs E have car insurance with Soteria (the policy was originally provided under the Co-op brand). Mrs E was involved in a motor traffic incident with two cars being damaged.

Mr and Mrs E reported the matter to their insurer who made enquiries with the insurer of the other party involved. That insurer said they believed Mrs E to be responsible for the damage to their policyholder's car. Soteria agreed to cover the other party's repair costs which meant that the claim was settled on the basis of Mrs E being at fault.

Mr and Mrs E are unhappy with that because it led to the cost of their insurance increasing in the future.

Soteria said they considered all of the available evidence and felt that it was reasonable to settle the claim in the way they did. Mr and Mrs E didn't agree, and the case was brought to our service.

An investigator here said Soteria had considered the matter reasonably and that they were entitled to make their own decision on how to settle it. Mr and Mrs E disagreed, they said there is no CCTV footage available and so no proof that Mrs E was at fault.

Agreement couldn't be reached, so the matter was 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.

I'm sorry to disappoint Mr and Mrs E, but I agree that Soteria have acted reasonably here. I understand the point around the lack of CCTV footage, but that doesn't mean there's no evidence at all. There often isn't CCTV footage available so insurers will generally consider what each party says about an incident and will review damage reports before agreeing how to settle a claim.

Further, insurers don't necessarily have to prove who is at fault for an incident – often absolute proof won't be available – rather they will take an on-balance approach. And, it may be worth me adding that the terms fault and non-fault can sometimes be a bit misleading. In this case, Soteria didn't think they could recover their losses from the third-party insurer and that effectively means it is classed as a fault claim. It doesn't mean Mrs E has been proven in law to be responsible.

Only the courts can truly apportion blame to either party in such incidents. I know Mr and Mrs E have suggested they'd have liked the matter to be decided in court, but most car insurance claims don't get decided that way. If that were to happen, then the cost of

insurance could increase even further due to legal costs. I also expect it could become an unnecessary burden on the legal system.

Overall, Soteria have considered Mr and Mrs E's claim and reached their own decision on the outcome, which is something they're allowed to do. I haven't seen anything to make me think that decision was irrational.

My final decision

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

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr E and Mrs E to accept or reject my decision before 5 April 2024.

Will Weston
Ombudsman