

## **complaint**

Mr C complains that Royal & Sun Alliance Insurance Plc mishandled a claim on his motor insurance policy.

## **background**

Mr C and a motorcyclist were involved in a road traffic incident at a junction. Mr C complained after RSA accepted liability for the motorcyclist's claims for loss and injury.

The adjudicator didn't recommend that the complaint should be upheld. She thought that RSA gave proper consideration to the claim before it settled it. She said that RSA had fairly and reasonably applied the policy condition which allows RSA to take over, defend or settle a claim as it sees fit.

Mr C disagrees with the adjudicator's opinion. He says, in summary, that the motorcyclist wasn't following the rules of the road.

## **my findings**

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

It's common practice for an insurer to record a claim against its policyholder as a "fault" claim unless and until the insurer recovers its outlay in full from a third party. There may be a number of reasons why such recovery may not be practicable. Therefore a record of a fault claim doesn't necessarily reflect badly on the policyholder's driving.

Like most motor insurance policies, Mr C's policy allowed his insurer to decide how to deal with and settle any claim involving a third party. The Financial Ombudsman Service considers how the insurer reaches its decision under such a policy term. Provided it does so fairly we are unlikely to intervene.

Unlike a court, we don't hear directly from each party and decide the extent to which each of them is responsible for causing injury or damage.

I'm satisfied that RSA took into account Mr C's report of the accident. He said the motorcyclist hit the rear passenger side of his vehicle as Mr C was turning right across a line of stationary vehicles which the motorcycle was undertaking.

The motorcyclist and a witness made a similar report. So I don't think CCTV or more witness evidence would have made any difference.

Mr C didn't make a claim for damage to his vehicle.

RSA took into account Mr C's photographic evidence of the condition of the bike after the crash. But it also got an engineer's view of the nature of the damage to the bike.

I think that the insurer did a reasonable and proportionate investigation into the accident.

As RSA discussed the difference between a solid green traffic light and a green filter light, I'm satisfied that it thought about the rules of the road.

It accepted that the motorcyclist didn't own the machine he was riding.

RSA decided to settle rather than to incur the costs and risk of a court case arising out of the accident.

It might have tried harder to get the motorcyclist to accept a percentage of liability. But – even if it had succeeded in this – it would still have recorded a fault claim against Mr C.

And I keep in mind the usual policy term which, in effect, allowed the insurer's view of liability to prevail over Mr C's. So I'm not persuaded that the insurer treated Mr C unfairly or unreasonably by the decision it made or by the way it recorded it on insurance databases.

I accept that this is likely to cost him money in terms of his current and future premiums.

**my final decision**

For the reasons I've explained, my final decision is that I don't uphold this complaint. I make no order against Royal & Sun Alliance Insurance Plc.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr C to accept or reject my decision before 15 April 2016.

Christopher Gilbert  
**ombudsman**