



INSURANCE & FINANCIAL SERVICES
OMBUDSMAN

Car accidents when you don't have insurance

If you caused the accident

- You will need to pay for the repairs to the other car(s).
- If the other driver is insured, their insurer is likely to pay for their repairs.
- The insurer will then ask you to pay them back for the repair costs.

1. Contact the other driver to ask if they are going to make an insurance claim, and the name of the insurer.
2. Write to the insurer (email or letter) to ask about the process and any costs you may be responsible for. If you disagree that you caused all of the damage, this is the best time to challenge it.
3. When you receive a bill from the insurer:
 - ◆ If you agree with it - pay the insurer, not the other driver. If you can't pay it, contact the insurer to discuss options.
 - ◆ If you don't agree - you will need your own repair estimate, from a panel beater or mechanic, to challenge it. Ask the insurer for copies of the pre-repair photos, assessment and repair costs.

Issues with the insurer?

1. Contact the insurer and deal with it directly
2. All contact should be written (email or letter) to keep a record
3. Ask for copies of the assessment and costings
4. If you disagree, you will need your own evidence to support your view.

If the other driver caused the accident

- If the other driver is responsible for the accident, they must pay to repair any damage to your car.
- If the other driver has insurance, their insurer may pay for the repairs to your car.

If the other party won't accept responsibility, you can make a claim to the [Disputes Tribunal](#) to settle the dispute over who is liable.

If you disagree with the insurer's assessment of the damage, the repair costs or the value of your car, you will need to get your own reports from a relevant expert, like a panel beater, mechanic or vehicle valuer, to help you challenge the insurer.

If you had a loan to buy your car, the insurer may pay the lender directly.



INSURANCE & FINANCIAL SERVICES
OMBUDSMAN

Case Study 1

After causing a car accident, Sarah* received an invoice from an insurer for \$4,327, to cover the costs to repair the other vehicle. Sarah agreed she should pay for the damage but didn't agree with the cost, as the quote she got from an independent panel beater was \$1,400.

What can Sarah do?

Provide the independent mechanic's quote to the insurer.



Write to the insurer to formally challenge the repair costs.



Take a dispute about the costs to the Disputes Tribunal.

Case Study 2

Tim's* car was damaged in a 3 car pile up. The 2nd car stopped in time but was shunted forward by a 3rd car, hitting Tim's car. The 3rd car drove off and Tim wants the insurer of the 2nd car to pay for the damage. Tim said that the 2nd car owner's insurer said it would only pay if the 2nd driver was legally liable, and he may not be if he was shunted by the 3rd car. The police report said the 2nd car did not leave enough room when stopping.

What can Tim do?

Write to the insurer and explain the 2nd driver was responsible. Provide a copy of the police report .



Take the dispute about who is responsible to the Disputes Tribunal.

Case Study 3

Cam's* car was hit by another car and was written off. The other driver admitted he caused the accident. Cam was unhappy with the settlement offer of \$3,000 from the other driver's insurer as he had bought the car 6 months earlier for \$4,200.

What can Cam do?

Get an independent valuation, then provide this to the insurer.



Write or email the insurer formally challenging the car's value.



Take a dispute about the value of the car to the Disputes Tribunal.

* Not real names

Who can help?

* [Citizens Advice Bureau](#)

Citizens Advice Bureau can help you to know your rights and work out what your options are. You can also get help with applying to the Disputes Tribunal, understanding District Court processes or applying for legal aid. The CAB is independent and their service is free .

* [Insurance & Financial Services Ombudsman Scheme](#)

The IFSO Scheme can only investigate complaints people have with their own insurer. It cannot investigate a complaint about someone else's insurer.

* [Disputes Tribunal](#)

The Disputes Tribunal can hear disputes where the claim is for \$15,000 or less. Try this option before you see a lawyer, as fees for lodging a claim with the Disputes Tribunal are relatively low compared to the cost of going to Court.

If the Disputes Tribunal is not an option, you can apply to the [District Court](#). If you proceed with this option, seek legal advice and get a lawyer who has knowledge of the insurance system to represent you. If you don't have a lawyer, your local [CAB](#) could help you find one, and provide you with information and support. You might be eligible for [legal aid](#) to help with the costs of a lawyer.