

SUBMISSION ON POLICY ISSUES RAISED IN ROUND 6

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Submission for: My Self

Name of other person, business or organisation:

Do you agree to your submission being published: Yes

Do you agree to your full name being published: No

Your submission:

Royal Commission into Misconduct in the Banking, Superannuation and Financial Services Industry

The Insurance Excess Catch-22

I have written this brief submission to highlight an unfair and unreasonable practice that some comprehensive car insurance companies are engaging in.

Introduction

My parked car was hit by another early October 2018. Fortunately, I had recently installed a dash cam that captured a) the other car backing into mine and their rego, b) the driver being coerced by two bystanders to leave a note under my wiper and c) the driver coming back 5 minutes later to remove the note and disappear.

I called into my local the Police Station (Oakleigh) and provided them with the video footage. The Senior Constable that I was dealing with said that he would visit the other party and come back to me with her details.

I contacted the insurer and advised them of the incident and that further details would shortly be provided by Police.

The Senior Constable came back to me the next day with her name, address and driving licence number.

I provided the insurer with the following details:

- The other driver's full name
- Their address
- Their driver's licence number
- Their rego
- Video evidence showing the incident, the rego and the other drivers face. (should they require it)

I was told that as I had not provided a phone number for the other driver, I would be charged an excess and have an at fault claim in my name.

The other driver was not listed in the white pages.

The potential evidence of unfair practice

Under current legislation, the Road Safety Act 1986, Section 61 (c) states the following:

(c) *must at the scene of the accident as soon as possible give his or her name and address and also the name and address of the owner of the motor vehicle and the identifying number of the motor vehicle and, in the case of an automated vehicle, state whether it was operating in automated mode at the time of the accident—*

(i) *to any person who has been injured or to the owner of any property which has been damaged or destroyed;*
or

(ii) *to a person representing the injured person or the owner of the property; and*

Three Police members on separate occasions had confirmed that there is no legal requirement for the other driver to provide a phone number and yet it is a requirement by the insurer.

Even had I been present when she hit my car and asked for her number, if she had said no there would be nothing more that I could do.

The Police had her phone number but due to privacy rules were unable to pass this on to me for purpose of making an insurance claim.

The requirement for a phone number to make a claim is written in the Product Disclosure Statement of the insurer I had used [REDACTED], part of [REDACTED] Page 24 under the Making a claim section:

Obtain the full names, addresses and phone numbers of all drivers involved and any witnesses to the event. You will also need to obtain the vehicle registration numbers and insurance details of all vehicles involved. If damage is caused to any other property please provide details of the address and owners' names.

On page 21 of the [REDACTED] Product Disclosure Statement, under application of excesses. You don't pay any excess if:

another vehicle is involved, we agree the driver of your vehicle was not at fault, and you can identify the other vehicle and the other driver responsible (by providing us with their name, residential address, phone number and vehicle registration details);

no other vehicle is involved, we agree the driver of your vehicle was not at fault, and you can identify another person at fault (by providing us with their name, residential address and phone number) and we agree that they were at fault.

I was advised by the Police not to visit the other person and ask for their phone number so I was put in an impossible position through no fault of my own.

Conclusion

After about a week of bouncing between the insurer and the Police, the Senior Constable took pity on me and asked the other driver to give consent to pass her mobile number to me. Had I not met an obliging Policeman, I would not have obtained this number. He had no legal requirement to do this. This resulted in my insurance company changing my claim to not at fault and I wasn't charged an excess.

I began to wonder about how many other people had provided all the information allowed for under the Road Safety Act about the other party but not a phone number and been unfairly charged an excess under their insurance policy.

I did a random search of 13 vehicle insurers operating in Australia, read the 'how to make a claim' section in their Product Disclosure Statements and found that 8 required a phone number to submit a claim.

The other driver has incidentally been charged by Police and will be attending court.

In summary, I do not think that an insurance company should be permitted to include a claim requirement like a phone number that a member of the public has no legal way of obtaining.

I submit this issue as a subject for your consideration. Thank you

Kind regards

[REDACTED]