

Step 1. I've now received an itemised quote

Checking an itemised invoice of damages claimed Once you have the itemised invoice of damages claimed you should check:

1. is the damage purportedly being repaired caused in the accident?
2. is the repair method reasonable given the age, make and model of the car;
3. are the repair costs correct?

Most of us will not be able to determine this ourselves, and you may want to consider seeking the opinion of a professional like a smash repairer to give an opinion as to whether the amount is right. TIP: Insurance companies will often agree to settle the debt claimed for a lesser amount if you pay in full straight away. If the other party's insurer pursues you for an amount you still believe is excessive, you should gather as much evidence and research as you can to establish this. For instance, you may be able to take any photos you have or can obtain from their insurer, and any quotes/invoices they provided about the damage to the other car to your own expert mechanic to get a written opinion of whether you caused particular damage, and what would fall within a reasonable cost of repairs for the damage you did cause. You should write back to the insurer to raise a dispute, and you should mark any negotiations "without prejudice" so that they cannot be used as admissions in litigation in the future but can be used in relation to any dispute about the costs of proceedings – this correspondence must have a clear offer of a negotiated outcome (such as a full and final settlement offer of a reduced amount). Send the letter explaining your position and attaching any evidence to support your case: A sample letter disputing the amount being claimed can be found [here](#).

If you are experiencing financial hardship in relation to the damage (no matter if the amount was reduced) and you cannot afford to repay, you should make an appointment to see a Financial Counsellor (1800 007 007) and negotiate under the General Insurance Code of Practice for a reduced amount, payment plan or a release from the liability. Please see our website for [sample letters](#) and [fact sheets](#) about financial difficulty. You may want to request that the amount of repairs be reviewed by the Internal Dispute Resolution process at the Insurance company. You can search for these details using the Australian Financial Complaints Authority ([AFCA](#)) [member](#)

[search function](#) It is always best to get the settlement confirmed in writing. Be clear on what it is you are settling – if it is the full amount, or just the cost of repairs, does it include hire car costs. If you only settle the repair cost, you can find yourself being chased later for other costs (eg. hire car) from the insurer, or the other driver directly. Ultimately, if a negotiated outcome cannot be reached, the insurer can start court action for the amount they believe is justified. A court would then decide the correct assessment of damages based on the available evidence. Legal costs and court costs will generally be added onto the amount claimed if this happens. You can choose to lodge a defence, but you must be careful and get legal advice first. The court, depending in which jurisdiction you are in, may make orders that one party pay the other parties costs – for instance, the courts may order the losing party pay the reasonable legal costs of the winning party.

REMEMBER: If you are arguing that the amount claimed is too much, this means you still owe some of it. Be prepared to pay, or start paying, the amount you know you owe.