

The complaint

Mr E complains that Markerstudy Insurance Company Limited (Markerstudy) instructed a debt collector to collect a debt it hadn't made him aware of under his motor insurance policy.

Mr E originally complained to his broker. However, it's his insurer, Markerstudy, that is responsible for the charges complained about. It is the correct respondent in this case.

What happened

Mr E cancelled his motor insurance policy in May 2021. A few months later he received contact from a debt collector. He says no information was provided about what the debt related to. Mr E contacted his insurer via his broker, but it told him there was no outstanding debt owed. Despite this he continued to receive contact from the debt collector.

The broker says Mr E had contacted the company he previously had insurance through in 2019. I'll call this company A. It says this policy had been cancelled in 2019 with no debt owing.

A's call handler didn't have access to Mr E's broker's systems to be able to identify a charge was outstanding.

Markerstudy says it made an error when it cancelled Mr E's policy in May 2021. A cancellation fee was owed but this was calculated incorrectly. It later recalculated to correct its error, which left a balance of £114.12.

Mr E says he changed address in 2020 and also needed to change his email, telephone number and bank card at this time.

This meant the outstanding balance couldn't be collected and so a debt collector was instructed.

In its final response letter to Mr E's complaint Markerstudy apologised for the inconvenience caused by its error. It says it accepts Mr E was given the impression the account had been closed some time ago with no outstanding balance. It offered to remove the balance of £114.12 from the account in full and final settlement of his complaint.

Mr E accepted the offer but subsequently referred his complaint to our service as he thought further compensation was due. Our investigator looked into the complaint. He says Mr E was offered a full and final settlement that he'd accepted. He thought this had been made clear by the business and therefore he couldn't consider the matter further.

Mr E didn't think this was fair. He says he didn't think by accepting this offer it prevented our service from awarding compensation. He asked for an ombudsman to look at his complaint.

It has been passed to me to decide.

Why I won't be looking at this complaint

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

This service doesn't have the power to consider every complaint referred to it. The regulator - The Financial Conduct Authority – has set out what complaints this service can and can't look at. So, I'm bound by this when deciding whether Mr E's complaint is one that can be considered by this service.

The rules which explain what this service can and can't consider are the Dispute Resolution Rules ('DISP rules'). The relevant rule here is DISP 3.3 *Dismissal without consideration of the merits and test cases*. I'd like to reassure Mr E that I have read and considered the full rules under this section when coming to my decision. But I've only referred to what I consider necessary to explain my reasoning.

The role of this service is to resolve disputes fairly and informally. Looking at all the information available on this case, I can see that a final response was sent to Mr E in November 2021. The letter says to accept the offer in full and final settlement of this complaint, Mr E should reply by email or in writing.

In a subsequent email exchange, a few days later the business says:

"In relation to the removal of the balance, this offer was made in full and final settlement of your complaint. I understand you wish to investigate this matter yourself before advising whether you wish to escalate the matter further. In turn, I have placed this balance on hold at this time as a goodwill gesture."

Mr E responded around an hour later to say:

"Settlement, closure and immediate removal of all my details off any credit data base is accepted. Thank You."

A response was sent to Mr E two days later to confirm the agreed actions had been taken. Based on these emails, I think it's clear that Mr E accepted the businesses offer in resolution of his complaint.

Where a business has made an offer, that the customer has willingly accepted in full and final settlement of their complaint, this service doesn't consider it fair to look at such a complaint again.

I am satisfied that the offer made to Mr E was in full and final settlement of his complaint and he accepted the offer on that basis. So, I'm dismissing this complaint without further consideration of the merits.

I understand Mr E will be disappointed, but when considering the rules and the circumstances of the complaint, this isn't something this service can look into further.

My final decision

For the reasons set out above, I am dismissing Mr E's complaint without further consideration of the merits.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr E to accept or reject my decision before 30 June 2022.

Mike Waldron
Ombudsman