

The complaint

Mr M complained about Markerstudy Insurance Company Limited's handling of his repair claim under his motorhome insurance policy.

What happened

Mr M made a repair claim after his motorhome was damaged in high wind. He said Markerstudy took too long to inspect it, didn't inspect it properly and didn't arrange for it to be repaired, but expected him to arrange it instead. He also complained that Markerstudy misinformed him and were generally unprofessional.

Markerstudy said the policy didn't require them to arrange the repair themselves, only to pay for the repairs, and it was normal for the policyholder to arrange that, but they had tried to help. However they agreed that their communication had been poor and offered Mr M total compensation of £225.

Mr M didn't think that was enough to compensate him for the time, worry and stress they caused him. He also wanted them to refund his policy premium for the 4 years he'd been insured with them because he felt that the policy wasn't ever fit for purpose.

The investigator partly upheld the complaint because he thought Markerstudy had delayed and so hadn't treated Mr M fairly. He thought that Markerstudy should pay a further £150 in compensation, making a total of £375. Neither Mr M nor Markerstudy agreed and so the complaint was passed to me to decide.

What I've decided – and why

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

Markerstudy agree that they couldn't find a local garage to inspect or repair Mr M's motorhome. This seemed to be because it involved both external and internal repair. This meant that it was about three months before Markerstudy had it inspected to decide if it was economical to repair. However I see from Markerstudy's file that they did try several garages first.

Mr M didn't think the inspection was satisfactory but Markerstudy felt that Mr M hadn't co-operated with it. But in any event Markerstudy said that they were willing to pay for the repairs but Mr M would have to arrange the repairer himself and submit estimates then receipts for payment.

Mr M said as follows. He expected Markerstudy as the insurer to arrange repair, and not get him to do the work for them. If he'd known that at the start he wouldn't have bought the policy and it wasn't fit for purpose. The motorhome didn't have to be fixed by a local repairer, and Markerstudy should have sent it to somewhere else in the UK to do the work. Markerstudy's position from the beginning was one of negativity, denial of their

responsibilities and unhelpfulness, and their communication was poor. Mr M had been worried the damage to his motorhome would get worse while left in disrepair, and he was unable to use it.

Markerstudy offered him compensation for their poor communication, firstly of £75, then another £150 for avoidable delays and lack of contact. But Markerstudy said they were not obliged under the policy to have it repaired themselves and it was normal procedure for them to get the policyholder to arrange it.

I've looked at the policy and see it does only require Markerstudy to pay for repairs, and not to arrange repairs. As the investigator explained, that is not uncommon. I know that Mr M has shown us some other insurance policy wordings which do require the insurer to arrange repairs, but Markerstudy's policy doesn't do that and that's what Mr M agreed to when he bought the policy.

So I don't think that Markerstudy were under any obligation to send his motorhome somewhere else in the UK. However these things don't mean that his policy wasn't fit for purpose. Although Mr M thought that Markerstudy were refusing to help him, Markerstudy haven't refused to deal with his claim. The policy requires them to pay for repairs and Markerstudy have not refused to do that.

In the end Mr M did have his motorhome repaired at his own expense, and Markerstudy now have the receipts for this and wish to liaise with Mr M direct about it. So it's up to Mr M if he wishes to do that.

However I do think that Markerstudy could have done more to help Mr M. The delay in the inspection meant that Mr M remained worried that the condition of his motorhome would deteriorate in the meantime. He also had to contact them numerous times by phone and webchat, but they wouldn't update him or make any further progress and I can see that he found this frustrating. This was particularly difficult for him as he was also unwell at the time of the claim, and I think that Markerstudy's inaction and lack of communication caused him more worry than necessary.

This means I don't think that Markerstudy's compensation does adequately reflect the distress and inconvenience that their actions have caused Mr M. I agree with the investigator that this is more fairly compensated by Markerstudy paying him total compensation of £375, being an additional £150 to the compensation cheques Markerstudy have already offered him but which he says he has not been able to cash.

My final decision

For the reasons given above, my final decision is that I partly uphold the complaint. I require Markerstudy Insurance Company Limited to do the following:

- Pay Mr M total compensation of £375 for his distress and inconvenience.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr M to accept or reject my decision before 2 June 2023.

Markerstudy must pay the compensation within 28 days of the date on which we tell them Mr M accepts my final decision. If they pay later than this, they must also pay interest on the compensation from the date of my final decision to the date of payment at 8% a year simple.

If Markerstudy consider that they are required by HM Revenue & Customs to withhold income tax from that interest, they should tell him how much they have taken off. They should also give him a tax deduction certificate if he asks for one, so he can reclaim the tax from HM Revenue & Customs if appropriate.

R. Scott

Rosslyn Scott
Ombudsman