

## **The complaint**

Mr L complains about how Markerstudy Insurance Company Limited handled his claim on his motor insurance policy.

## **What happened**

Mr L had a commercial motor insurance policy that was underwritten by Markerstudy. On 9 September 2022 he made a claim after he was involved in an accident.

Markerstudy accepted the claim and the vehicle was taken in for repairs. However the initial garage it was taken to couldn't carry out the repair so it had to be moved. It then took some time to determine if it was economical to repair the vehicle.

Once a decision was made that it was repairable, the required parts were ordered but there was another delay due to their availability. The car wasn't returned until 21 November 2022. During this time Mr L was offered a courtesy vehicle initially for 14 days, and this was later extended for a further seven days.

Once the car was returned Mr L made a complaint. He said the delays in returning his vehicle had been unacceptable and had caused him to lose out on earnings he would have made if he'd had it. And he said the courtesy vehicle provided was much smaller than his own. He also said that when his vehicle was returned it had faults that weren't there before the accident, which he thought Markerstudy's agent had caused.

Markerstudy upheld his complaint and offered him £150 compensation to apologise for some delays at the beginning of the claim. However it said he was only entitled to 14 days with a courtesy car under his policy, and it extended the time he had one, so it wasn't obliged to offer this for any more time. And it said the problems with his vehicle were pre-existing so not caused by the repairer.

Unhappy with this, Mr L brought his complaint to this service.

Our investigator recommended the complaint be upheld. He said as well as the compensation Markerstudy should pay £760 loss of use for the time Mr L had been unable to carry out his normal business.

Mr L accepted the outcome. However Markerstudy didn't. It said most of the delays in the claim were due to the availability of the part and this was out of its control, so it shouldn't be held accountable for this. It asked for the complaint to be reviewed by an ombudsman.

## **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.

Mr L's claim has gone on for far longer than I would have expected. From the point the vehicle was collected until it was returned was around two and a half months. From looking at the notes provided by Markerstudy, its repairer initially estimated the repair should take '8

working days'. So I can see it took far longer than it should have done for the repair that was needed.

From reviewing the information on the file I can see the main reasons for these delays were as follows:

- The vehicle was initially delivered to a garage that couldn't carry out the repair and needed to be relocated.
- It took considerable time for the garage to determine if the vehicle was beyond economical repair or a total loss.
- Once the repair was agreed there was around a five week delay due to availability of parts and labour in order for it to be completed.

I note Markerstudy's comments that the delay to the part was out of its control. And I understand there has been a shortage of parts which has made prompt repairs more difficult. However, Markerstudy would have been aware of the potential for this additional delay when the claim began. And it should have done more to ensure the claim was progressed as promptly as possible, especially considering a likely delay in obtaining the part later in the claim. As the vehicle was used for Mr L's work, Markerstudy would have known the value of any time he was left without it. And this service would expect it to therefore act with urgency in order to ensure it was returned. Instead, from what I've seen, it took a long time even getting to the stage where it agreed the repair to the vehicle. And appears to have taken no action to try and obtain a part more quickly. So I agree with our investigator that it should have done more to ensure Mr L wasn't left without a vehicle for a significant period.

Mr L was without his vehicle for a total of 73 days, around 10 weeks. And from reviewing the whole claim journey, I think this should have been a total of five weeks, taking into account delays to parts and labour. Our investigator has recommended Markerstudy pay loss of use for the vehicle for 38 days of the claim and, based on my above calculations, I agree this is fair in the circumstances. This service thinks that £20 a day for a commercial vehicle is a fair amount for loss of use. I therefore agree Markerstudy should pay 38 days loss of use at £20 a day, making a total of £760 to compensate Mr L, on top of the £150 already offered to make up for the avoidable delays.

I've also considered Mr L's comments on the issues with his vehicle once it was returned to him. Markerstudy has provided comments from its expert concluding these were pre-existing issues. While I understand Mr L disagrees, he hasn't provided any expert evidence to support his position. So in the circumstances, I'm more persuaded by the expert evidence and don't think Markerstudy are responsible for these issues.

### **My final decision**

For the reasons I've given, I uphold Mr L's complaint and direct Markerstudy Insurance Company Limited to pay him £760 compensation for loss of use of his vehicle, in addition to the £150 compensation already offered.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr L to accept or reject my decision before 15 September 2023.

Sophie Goodyear  
**Ombudsman**