

The complaint

Miss C has complained about the service she received from QIC Europe Ltd ("QIC") when she made a claim under her motor insurance policy.

What happened

The background to this complaint is well known to the parties so it serves no purpose for me to detail it here. In summary Miss C's car was taken without her consent and involved in an accident. Ultimately QIC determined that the car was a total loss. As it hadn't made any recovery when Miss C complained the claim was marked as a fault claim.

Our investigator felt that the communication from QIC could have been better and noted that there were delays in progressing the claim. He thought that Miss C should have been allowed access to her car sooner than she was. He didn't find that QIC had erred appointing a private investigator or in marking the claim as 'fault'. Our investigator initially recommended that Miss C was paid £250 for the trouble and upset she had been caused by the handling of her claim.

QIC agreed but Miss C didn't. Through her representative she explained more about her personal circumstances. Our investigator considered these and recommended that compensation was paid in the sum of £350.

QIC felt this award was excessive and that £250 was fair and reasonable in all the circumstances.

As no agreement has been reached the matter has been passed to me to determine.

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.

Firstly, I'm aware I've summarised the background to this complaint. No discourtesy is intended by this. Instead, I've focused on what I find are the key issues here. Our rules allow me to take this approach. It simply reflects the informal nature of our service as a free alternative to the courts. If there's something I haven't mentioned, it isn't because I've ignored it. I'm satisfied I don't need to comment on every individual argument to be able to reach what I think is the right outcome. I've fully reviewed the complete file and having done so I agree with the conclusion reached by our investigator for these reasons:

- I don't find that QIC treated Miss C unfairly by marking this as a fault claim. This doesn't mean she was at fault; rather that it hadn't been able to recover from the third party. Likewise I don't find that it was wrong, based on its engineer's report to deem the vehicle a total loss, although I note it was subsequently repaired.
- Insurers are required to handle claims promptly and fairly. I do find that that the engineer's report could have been released to Miss C, redacted if need be, in for her

to make representations regarding repair. Although I acknowledge that it was ultimately for QIC to decide how to settle the claim, Miss C was without a car and communication from QIC and its agents was less than she could have expected. I accept this would have caused inconvenience.

- It is not in dispute that compensation is due for the poor service that Miss C received. The issue is what amount is fair and reasonable in the circumstances. QIC doesn't believe that £350 is warranted. It doesn't consider the distress Miss C faced was considerable or the impact lasted many months or weeks. Referring to our published guidance it felt that the inconvenience caused fitted with the following description: *If an error has caused the consumer more than the levels of frustration and annoyance you might reasonably expect from day-to-day life, and the impact has been more than just minimal, then an apology won't be enough to remedy the mistake. An award between £100 and £300 might be fair where there have been repeated small mistakes or a larger single mistake, requiring reasonable effort to sort out. These typically result in an impact that lasts a few days, or even weeks, and cause either some distress, inconvenience, disappointment or loss of expectation.*
- I don't find that QIC's submission is unreasonable. However, I must also take into account Miss C's particular circumstances. Having done so I'm satisfied that those circumstances, including that Miss C had recently been violently attacked, made Miss C susceptible to greater impact. Of course, this wasn't the fault of QIC, but it doesn't seem to have been taken into consideration, although it had been notified of the fact. That said, I don't find that Miss C was blackmailed into the investigation or there was anything untoward in the appointment of an investigator. Awards of compensation are merited where we find that there has been an impact of the policyholder's everyday life. They are not to punish or reprimand them insurers – this Service does not regulate financial businesses; we have no power to do that.
- In all the circumstances and having taken into account the impact on Miss C given her personal situation I'm satisfied that compensation of £350 is fair.

My final decision

My final decision is that I uphold this complaint. I require QIC Europe Ltd to pay Miss C £350 in compensation.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss C to accept or reject my decision before 11 October 2023.

Lindsey Woloski
Ombudsman