

The complaint

F has complained about the delay on the part of QIC Europe Ltd in settling a claim for damage to a vehicle insured under its Motor Trade Road Risks insurance policy.

QIC is the underwriter (insurer) of this policy. Much of this complaint concerns the actions of its appointed agent. As QIC accepts it is accountable for the actions of its agent, in my decision, any reference to QIC should be interpreted as also covering the actions of its appointed agent.

What happened

F's vehicle was damaged in an accident in June 2022. Initially, F made a claim for the damage to its vehicle against the insurer of the other vehicle involved in the accident through the third party insurer's agent. When the agent turned down F's claim it made a claim against its policy with QIC. This was in December 2022.

F has said QIC has provided a poor service on the claim and communicated poorly. It has said QIC took witness statements and inspected the insured vehicle over six months prior to it asking us to consider its complaint. QIC issued a final response to F's complaint on 17 August 2023. In this it said that its solicitor was still investigating the claim with the third party insurer's agent. And, until it got the full evidence which led to the agent declining the claim, QIC would not be in a position to progress the matter.

F asked us to consider its complaint on 17 August 2023. In doing so it explained that it had paid for the insured vehicle to be repaired. One of our investigators issued her view on F's complaint on 11 January 2024. She recommended that QIC settled F's claim and paid interest on any amount due to it.

QIC didn't agree with the investigator's view and asked for an ombudsman's decision. It provided a copy of the third party insurer's agent's letter rejecting F's claim and suggested this provided enough evidence to show further investigation was warranted. It said it was trying to obtain a copy of the forensic engineer's report carried out by an engineer appointed by the third party insurer. And that it had asked its solicitor to compile a report to add further weight to its decision to investigate further.

QIC then provided a copy of the forensic engineer's report, which I have seen. It was provided to them by the third party insurer's agent on the basis it would not be disclosed to F. QIC said its claims team were in conversation with its solicitors regarding the contents of the report, with a view to making a decision on F's claim.

I issued a provisional decision on 7 March 2024, in which I set out what I'd provisionally decided and why as follows:

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

Industry rules set out by the regulator (the Financial Conduct Authority) say insurers must

handle claims fairly and shouldn't unreasonably reject a claim. I've taken these rules, and other industry guidance, into account when deciding what I think is fair and reasonable in the circumstances of F's complaint.

It is hard to tell whether QIC has progressed F's claim as quickly as it should have done. I say this because it's not provided any evidence to show that it or its solicitors were regularly chasing the third party insurer's agent for the evidence it wanted. Although, it does seem it only actually obtained this evidence fairly recently.

What I do know is it has now been well over a year since F submitted its claim and QIC still hasn't had a decision on whether to accept or reject it. Irrespective of any issues QIC or its solicitors may have had obtaining evidence, I think this is far too long. And the delay has clearly caused F inconvenience. So, I think as part of the fair and reasonable outcome to F's complaint QIC should pay it £300 in compensation for this.

But, having considered the evidence now provided by QIC, I do think it should be allowed some time to further consider whether to pay F's claim. But I consider it is fair and reasonable to put a time limit on this. So, I've provisionally decided to require QIC to do this by the end of April 2023 (this should have said 2024). This is because I think this gives it a reasonable time to carry out any further enquiries it thinks are needed and enough time to fully consider the evidence it now has.

I gave both parties until 21 March 2024 to provide further comments and evidence.

F had some queries, which our investigator addressed. But it did not make any further comments on the merits of its complaint or provide any further evidence.

QIC has not provided any further comments or evidence.

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.

As neither party has provided any further comments or evidence on the merits of F's complaint, I see no reason to reach a different conclusion on the fair and reasonable outcome to F's complaint as set out in my provisional decision.

All I should say is that I referred in error in my provisional decision to QIC having to make a decision on whether to accept or reject F's claim by the end of April 2023, when I meant by the end of April 2024.

Putting things right

For the reasons set out above, I've decided to uphold F's complaint about QIC Europe Ltd and make QIC do the following:

- Pay F £300 in compensation for inconvenience.
- Make a decision on whether to accept or reject F's claim by the end of April 2024.

My final decision

I uphold F's complaint and order QIC Europe Ltd to do what I've set out above in the 'Putting things right' section.

Under the rules of the Financial Ombudsman Service, I'm required to ask F to accept or reject my decision before 22 April 2024.

Robert Short
Ombudsman