

## **The complaint**

Mr W has complained about his vehicle insurer Markerstudy Insurance Company Limited as he is unhappy because it won't pay his storage costs, incurred during a theft claim.

## **What happened**

Mr W's pick-up was stolen in February 2020. Markerstudy began considering Mr W's claim for the pick-up and felt it would settle any claim proportionately. It provided a final response letter (FRL) confirming its position in this respect in April 2020.

The claim then, for a time, stalled as Markerstudy had concerns about it. Mr W complained to the Financial Ombudsman Service. Our Investigator, at that time, found Markerstudy's concerns were unfair. Amongst other things Markerstudy was told to reimburse any reasonable claim associated costs Mr W had incurred, such as for storage.

During the course of the claim, Mr W's stolen vehicle had been recovered. On 11 April 2021 it was moved to a storage yard of his choice. When Markerstudy, following our involvement, in October 2022 came to settling Mr W's claim, it said it would only pay storage charges until 12 October 2022. At that time it had tried to collect the pick-up from the garage but hadn't been able to. It had communicated with the garage, but hadn't spoken to Mr W. Some emails followed and by 3 February 2023 Mr W had made a further complaint – he was aware at that time of Markerstudy's position – that, despite his arguments and whilst the pick-up was still accruing storage charges, it was only going to pay for storage until 12 October 2022.

Mr W made a further complaint to this Service. Our Investigator felt Markerstudy should pay the storage costs until 3 February 2023, with 8% simple interest added to any reimbursed sum. He felt it should also pay £200 compensation.

Markerstudy said it would agree to that. Mr W remained unhappy – he said the storage company were unhappy also as the vehicle had been with it for so long. The complaint was referred for an Ombudsman's decision.

## **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.

I appreciate that this has been a long and on-going claim for Mr W and that, overall, he feels let down by Markerstudy. That noted, at this point, I can only look at this issue over storage

charges, including how Markerstudy handled this aspect of the claim when it resumed in October 2022.

As of October 2022, Markerstudy knew the car was in storage and accruing fees. It also knew it had to settle the claim. Due to some previous history with Mr W during the claim, Markerstudy decided not to speak to Mr W directly. It began trying to organise return of the car with the storage company. The storage company said it needed Mr W's authorisation to release the car to Markerstudy. It also wanted the storage charges clearing.

Over the next couple of months Markerstudy continued dealing with the storage company. It also debated internally what storage charges it would pay. But the situation didn't really materially move on. Crucially, whilst Markerstudy did provide formal written communication to Mr W in December 2022 about some other points of the claim, it didn't take the opportunity to finalise its view on the storage costs with Mr W.

I know the storage company were speaking to Mr W. But the storage company weren't Markerstudy's agents. And, having reviewed some emails which Mr W sent to Markerstudy, it's clear the storage company were sometimes given different dates by Markerstudy as to when it might pay the storage costs to. Those emails also show a sense of frustration and confusion from Mr W – that he can't call Markerstudy and he isn't getting any clear answers in response to his emails.

By 3 February 2024 it seems clear to me though that Mr W did know Markerstudy weren't going to cover storage charges going forwards. It is also clear to me that Markerstudy were aware of Mr W's position and had taken a firm position of its own that only storage up until 12 October 2022 would be covered by it. From Markerstudy's file it seems this was clearly communicated to Mr W at that time. I think, given the delay in the intervening weeks, since October 2022, that was an unfair position for Markerstudy to take. So I think Markerstudy should be paying Mr W's storage costs until 3 February 2023.

I know Mr W would like all costs to be settled by Markerstudy. But I don't think that would be reasonable. On 3 February 2023 Markerstudy had made its position clear and, by that time, it had offered settlement on the claim too. I know Mr W wasn't happy with the sum offered but, as the parties are aware, I can't get into the issues of the claim being settled proportionately by Markerstudy. It was a difficult position for Mr W to be in, and I appreciate that was likely compounded by the claim having been going on for so long, but he had a duty, in February 2023, knowing what the extent was of Markerstudy's position, to act to mitigate his losses. In other words he knew that if he did not take the vehicle out of storage, costs would continue to accrue which he might well be liable for. In the circumstances, I can't reasonably hold Markerstudy liable for storage costs beyond 3 February 2023.

As I noted above, Mr W was caused frustration between October 2022 and February 2023. I think that was caused because of Markerstudy's reluctance to speak with Mr W directly. Even if I accept that was a reasonable way for Markerstudy to handle matters, I think it could have done more to clearly communicate with Mr W. I'm satisfied that its failure to effectively communicate with Mr W caused him upset and that £200 compensation is fairly and reasonably due to make up for that.

## **Putting things right**

I require Markerstudy to:

- Pay the storage charges incurred for Mr W's vehicle from 11 April 2021 until 3 February 2023 inclusive.
- To any amount to be paid, add interest\* from the date the charge was incurred until settlement is made, and pay this sum.
- Pay £200 compensation.

\*Interest is at a rate of 8% simple per year and paid on the amounts specified and from/to the dates stated. HM Revenue & Customs may require Markerstudy to take off tax from this interest. If asked, it must give Mr W a certificate showing how much tax it's taken off.

### **My final decision**

I uphold this complaint. I require Markerstudy Insurance Company Limited to provide the redress set out above at "Putting things right".

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr W to accept or reject my decision before 30 October 2024.

Fiona Robinson  
**Ombudsman**