

The complaint

Mrs G complains that Marshall Motor Group Ltd made an error setting up her policy which impacted her ability to make a claim, and then provided poor service when she was trying to correct it.

What happened

In 2022 Mrs G bought add on policies when she purchased her car for alloy insurance, tyre insurance and an extended warranty.

In April 2024 Mrs G needed to make a claim on the alloy wheel insurance but the claim was rejected because the car's details had been incorrectly registered by Marshalls.

Mrs G contacted Marshalls to correct the details, but Marshalls failed to respond, taking over 40 days and then said this wasn't their fault.

After Mrs G supplied evidence to show that Marshall hadn't registered the insurance correctly, they admitted their errors and offered £50 compensation, which hasn't yet been paid.

Mrs G was unhappy with this outcome as she says she has spent time on the phone, visiting garages and wasting time, and she should have a refund of premiums. So she brought her complaint to us.

Our investigator looked into the complaint and he recommended that Marshalls pay £150 compensation.

Mrs G didn't agree with this, and so the case came to me to review.

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.

Marshalls are responsible for arranging the cover, they aren't the insurer themselves. However, we expect a business arranging and administering cover to take care and act fairly.

Mrs G took out three optional covers through Marshall for a total cost of £781. She has only made a claim on the alloy cover, and the other two policies remain unaffected.

When Mrs G tried to raise a claim in April 2024, she found that the car details had been logged incorrectly, even though the registration number was right. The insurer asked her to contact Marshalls and ask them to correct it before they could log the claim.

Mrs G contacted Marshalls Garage who failed to help and so she went to their head office. She explained that she needed it done quickly because the claim had to be made within 30

days. Marshalls failed to respond before the 30 days and then said that they had logged the correct registration, and so had not made an error. Mrs G then provided evidence of their mistake, after which they admitted it and made the appropriate amendments.

Mrs G was eventually able to log her claim in May 2024, which was successful, but she had experienced delay, for which I agree Marshalls are responsible. In view of this delay and the inconvenience caused in being able to resolve the error, I agree with the investigator that £150 is a more appropriate sum for the distress and inconvenience caused here.

Mrs G has also asked that we consider whether she should be refunded the premiums on all three policies for the period from inception until when the error was discovered. She says that Marshalls should not be able to benefit from their error.

I haven't seen any evidence to suggest that if a claim had been necessary on the other two policies it wouldn't have been paid. The policies still existed, and the minor error on the registration has now been corrected on all three policies, meaning that Mrs G remains covered, and she has been able to make a successful claim on the alloy policy.

Our role is consider complaints, and if we find errors have been made, to put the customer back in the position they would have been in if the error had not occurred. In this case, the error has only impacted a claim on the alloy insurance and hasn't resulted in the claim being declined, just delayed. So I'm satisfied that £150 fairly reflects this and compensates Mrs G for the inconvenience this has caused.

Putting things right

To put things right Marshalls should:

- Pay Mrs G a total of £150 compensation for distress and inconvenience

My final decision

My final decision is I am upholding Mrs G's complaint about Marshall Motor Group Ltd and directing them to put things right as above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs G to accept or reject my decision before 27 January 2025.

Joanne Ward
Ombudsman