

## **The complaint**

Miss P complains about the level of service provided by Marshmallow Insurance Limited after she made a claim on her motor insurance policy. She wants compensation for wear and tear on her car and for the further damage caused and her physiotherapy treatment to be continued.

## **What happened**

Miss P's car was damaged in an incident and Marshmallow took her car for repairs and provided Miss P with physiotherapy. But Miss P was unhappy that she didn't know the location of her car and that 297 miles were added to the clock whilst it was in Marshmallow's care. She was also unhappy that her dashcam was damaged and that the physiotherapy sessions stopped without explanation. Marshmallow said it had passed the repairs concerns to the garage to deal with and it had heard no more about the matter.

Our Investigator recommended that the complaint should be upheld. He thought Marshmallow had provided very limited information about the claim and Miss P's complaint despite repeated requests. He didn't see any evidence to refute Miss P's concerns.

And so he thought Marshmallow should put things right by paying Miss P £400 compensation for the trouble and upset caused by its lack of communication at a time when she was distressed and vulnerable. He thought it should cover the cost of a replacement dashcam, with interest. And he thought it should cover £200 of physiotherapy sessions less the cost of those already provided to Miss P.

Marshmallow replied asking for an Ombudsman's review, so the complaint has come to me for a final decision. Marshmallow said it had disproved the complaint about additional mileage with photos and that Miss P hadn't mentioned the dashcam at the time.

## **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.

It's now over two years since the incident. And I can understand that Marshmallow may have had difficulty in obtaining evidence from its approved repairer. But I don't think this is a sufficient reason for Marshmallow to not follow up and investigate Miss P's repeated concerns which I can see she raised with it. And I can understand that Miss P feels frustrated that it is taking so long to resolve her complaints.

We would normally expect an insurer to provide us with its response to a consumer's complaint, details of its investigation and information about the related claim. But Marshmallow hasn't been able to provide us with this information and it hasn't been able to explain why not.

So I've had to rely on email chains provided by Miss P and very limited information from Marshmallow to consider her concerns. Marshmallow's limited notes confirm that the incident occurred, Miss P's car required repairs and she suffered a personal injury.

Miss P said she was without her car for two months and didn't know its location in this time. When her car was returned to her, she noticed that the dashcam was damaged beyond

repair. This had evidently been working before the car was taken for repair as it had recorded the incident. Marshmallow said Miss P hadn't raised this concern earlier. But I can see from Miss P's emails that she did raise this after her car was returned. But I can't see that Marshmallow investigated this.

And so I can't say that Marshmallow has justified not taking responsibility for this damage. And so I think it should pay Miss P the cost of replacing this dashcam, which is currently £239.95. And because Miss P has been without the benefit of this for some time, I think Marshmallow should add interest to this amount from the date her car was returned to her, about mid December 2022.

Miss P said that she was promised eight physiotherapy sessions but only received four. She said she cancelled the fifth due to a bereavement and then the remaining sessions were withdrawn by Marshmallow. Miss P then had to pay for private treatment. Marshmallow hasn't provided any comment or evidence about this, and I have no reason to doubt Miss P's account. Her policy provides for:

*"... up to £200 per person for medical expenses for anyone who is injured while they are in the insured vehicle."*

I can't see that Miss P received this benefit fully. And so to put things right I think Marshmallow should provide her with £200 for this benefit less the cost of the physiotherapy it has already paid for. If it can't provide evidence of this cost, then I think it should reasonably provide Miss P with the full entitlement under her policy's terms and conditions.

Miss P said 297 additional miles had been added to her car whilst it was with the repairer. Marshmallow said it had added just 16 miles which was the distance between the incident and the repairer. And it said it had proven this with photographs. But I haven't seen these and so I can't say that Marshmallow has justified its decision that its repairer didn't add these miles. And it hasn't responded to Miss P's challenge that just 16 miles wouldn't account for also returning the car to her.

Miss P wanted compensation for the wear and tear these additional miles caused. But I'm unable to quantify that. However, I think this has caused Miss P trouble and upset in addition to the lack of communication from Marshmallow about her car's location, the progress of her claim, the cancellation of the physiotherapy and its lack of response to her concerns.

Our Investigator recommended that Marshmallow should pay Miss P £400 compensation for this trouble and upset. I think that's in keeping with our published guidance for the significant impact of repeated errors over some months at a time when Miss P had been injured and was in distress. And so I think that's fair and reasonable.

## **Putting things right**

I require Marshmallow Insurance Limited to do the following:

1. Pay Miss P £239.95 to replace her dashcam, adding interest to this amount at the rate of 8% simple per annum from 15 December 2022 until the date of payment†.
2. Pay Miss P £200 for the cost of physiotherapy sessions, less the cost of those it can evidence that it has already provided her.
3. Pay Miss P £400 compensation for the distress and inconvenience caused by its handling of her claim.

†If Marshmallow considers that it's required by HM Revenue & Customs to deduct income tax from that interest, it should tell Miss P how much it's taken off. It should also give Miss P a tax deduction certificate if she asks for one, so she can reclaim the tax from HM Revenue & Customs if appropriate.

**My final decision**

For the reasons given above, my final decision is that I uphold this complaint. I require Marshmallow Insurance Limited to carry out the redress set out above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss P to accept or reject my decision before 28 April 2025.

Phillip Berechree  
**Ombudsman**