

The complaint

Miss H says after she made a claim on her motor insurance policy Marshmallow Insurance Limited provided poor service and didn't repair her car properly.

What happened

Miss H's car was damaged in an accident in November 2023. On 24 April 2024, in its final response to her initial complaint, Marshmallow offered her £300 for the distress and inconvenience caused by delay and poor service on its part. Miss H then complained to us. In September 2024 an Ombudsman issued a decision. He was only able to deal with issues that arose before 24 April 2024, when Marshmallow's final response letter was issued.

In his opinion, Marshmallow's service had been poor, but Miss H's inconvenience was limited by having had a hire car until March 2024 (after the accident-related repairs were done). Although further damage to the car was found in February 2024 (caused during the recovery process), the car was roadworthy at that point. The Ombudsman thought Miss H should have collected it. He noted that the *extra* damage was repaired in April 2024. He didn't think Marshmallow should refund Miss H's policy excess and premium or pay travel costs after her car was made roadworthy (except for four days). He said Marshmallow should pay for extra car hire, but he thought its £300 compensation offer was reasonable.

Miss H accepted the Ombudsman's decision, but she complained to Marshmallow about further issues. In its second final response letter - on 11 August 2024 - it noted that she was unhappy with delays. It said that the chargeback for the policy premium and MOT fee that she'd arranged with her bank had caused the delay. And it said the car was ready to collect from 19 April 2024, but Miss H had refused to collect it. As she wasn't happy with the repairs, it asked an Independent Assessor to review the car on 29 May 2024. He said the garage's work was of a high standard, but that previous repairs to the car meant there was a mismatch in the paintwork. Marshmallow said Miss H had still refused to collect her car until 26 June 2024, despite requests. Marshmallow waived the garage's storage charges for June 2024 and covered the cost of the bank's chargeback, as gesture of goodwill.

One of our Investigators reviewed Miss H's second complaint. She thought Marshmallow had acted reasonably and hadn't caused any undue delay, although the chargeback process had affected the claim's progress. The Investigator said the evidence showed that the garage hadn't withheld the car, and that it had asked Miss H to collect it several times. She said Miss H hadn't provided anything to show that the Independent Assessor's view was wrong. She noted that Marshmallow had paid the chargeback costs and the garage's storage fees for June 2024. But the Investigator also noted that it hadn't dealt with the concerns Miss H raised with it after she collected her car (relating to its mileage, warning lights and nails in a tyre). She said she didn't think there was evidence that Marshmallow was responsible for any of those issues.

As there was no agreement, the complaint was passed to me for 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.

In this decision I'll concentrate on what I think are the main issues raised by Miss H and /or are covered in Marshmallow's second final response letter.

I don't think the evidence on the file shows that Marshmallow caused delays (other than those dealt with in the first final response letter and already compensated for) or that the garage withheld the car from Miss H after the extra repairs were done in April 2024.

Miss H was told the car was ready to collect in April 2024, and again in May 2024. I think it's understandable that she wouldn't have wanted to collect it if she thought the repair work hadn't been completed to a high standard. And there was an obvious colour mismatch with the paintwork. But when the Independent Assessor examined the car on 29 May 2024, he explained that the problem was caused by previous repairs to the car's bodywork.

Miss H may not have known about the previous work, but I think it was reasonable for Marshmallow to rely on an expert opinion. We give great weight to the views of Independent Assessors, and I think in instructing one Marshmallow tried to resolve the issue fairly. Miss H didn't provide any independent opinion to the contrary, but she still refused to take the car back, despite requests, for another month. I don't think that was reasonable.

In my opinion, it wasn't reasonable for Miss H to make chargeback arrangements either. The policy required her to pay the agreed excess if she made a claim – and she had asked the garage to carry out the MOT check, so she was liable for the cost of it. I think the chargeback caused some delay and that Marshmallow acted more than reasonably in paying the related costs (and the storage charges) neither of which it was obliged to do.

In its second final response letter, Marshmallow didn't address the issues Miss H had raised with it in July 2024 after she collected her car. She thought the car had been driven many miles after it was left at the garage – although she also said that its brake pads had rusted due to the car not being used for a long period. She said the petrol warning light was on, as the tank was virtually empty, when it had been at least half full. And the brake fluid and tyre pressure warning lights were also on. Miss H took the car for an emergency service the next day. And she said as nails were later found in a tyre, it had to be replaced.

The photo of the dashboard Ms H took on 2 July 2024 only shows a tyre pressure warning, a brake fluid warning and the need for a service. The invoice for the emergency service the next day shows only that the oil was changed. There was no reference to the brake fluid. Miss H hasn't shown what the cause of the rust on the brake pads was. Often it develops over time due to wear and tear. But there's no reference in the service invoice (or elsewhere) to the pads having been replaced. Miss H hasn't been able to show that half a tank of petrol had been used when she got her car back either. And I think the recordings of the car's mileage by engineers is consistent. The initial recording when the car went into the garage was 65,385. The Independent Assessor recorded it as 65,398 on 29 May 2024.

I don't think Miss H has shown that the car was driven many miles by the garage, using a significant amount of the petrol she'd put in the car, or that it did anything to cause an issue with the brakes. And there's nothing to show that the garage was responsible for the nails found in a tyre. A tyre pressure warning was showing on 2 July 2024, but that was a few

days after Miss H collected the car from the garage. I think she assumed the nails entered the tyre before it left the garage. But it could have happened at any point.

From Miss H's perspective, there was poor service and delays on Marshmallow's part, as dealt with in its first response to her complaint (up to April 2024) and in the Ombudsman's decision in September 2024. I think it's clear that she feels the delays and poor service continued after that, but I've set out above why I don't think that's the case. In my opinion, the extra repairs were shown independently to be of a high standard, and Miss H could have collected the car much earlier than she did. I don't think she's shown that Marshmallow's garage did anything inappropriate whilst the car was in its control. Consequently, although I know she will be unhappy with my decision, I can't uphold Miss H's complaint.

My final decision

My final decision is that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss H to accept or reject my decision before 4 June 2025.

Susan Ewins

Ombudsman