

## The complaint

Mr C complains Zurich Insurance Company Ltd (Zurich) didn't notify him when it reopened a notification only claim on his motor insurance policy and that this impacted the cost of his renewal premium.

## What happened

Mr C was involved in a collision with a third-party car. An accident management company (AMC) contacted Zurich, his insurer, to advise it was acting on Mr C's behalf. It said it would repair Mr C's car outside of his motor insurance policy and recover the costs from the third-party involved. Therefore Zurich recorded the incident as *information only*.

The AMC then requested Zurich reimburse the costs paid to repair Mr C's car. Zurich re-opened the claim and recorded it as *fault* whilst it progressed the claim.

When Mr C received his motor insurance renewal offer, he saw the claim was open and he hadn't been made aware of this.

Zurich obtained evidence the third-party was insured and costs were paid by the third-party insurer and the claim was returned to a *notification only* claim and closed. It recalculated Mr C's policy premiums and paid him a refund for the additional premiums paid due to the claim being open at the date of renewal.

Because Mr C was not happy with Zurich, he brought the complaint to our service.

Our investigator didn't uphold the complaint. He looked into the case and said he was persuaded that Zurich dealt with the claim in a reasonable way after it was asked to handle it. He didn't find any unreasonable delay in the settlement of Mr C's claim. And the refund of the additional premium charged on the renewal is what he'd have asked Zurich to do if it hadn't already done so.

As Mr C is unhappy with our investigator's view the complaint has been brought to me for a final decision to be made.

## 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.

Zurich was made aware of the incident by the AMC in mid-March 2024. Because the AMC was progressing the claim on behalf of Mr C and not Zurich, it had no further input at this point. It correctly recorded the incident as *information only*.

Approximately three months later in July 2024 the AMC contacted Zurich and said the third-party hadn't been insured and it now required Zurich to pay the repair costs for Mr C's car. Zurich reopened the information only record and recorded it as a *fault* claim. It asked the AMC to provide evidence of the incident, and the repair costs incurred, so it could validate

them before paying. I saw Zurich's own enquiries in July 2024 established that the third-party car was insured at the time of the incident in March 2024 and the AMC had been incorrect to say it wasn't insured. Zurich contacted the third-party insurer and submitted the repair costs to it.

In mid-October 2024 the third-party insurer agreed to pay the outlay. Zurich reimbursed the AMC on 6 November 2024, and soon after the claim was closed as *information only*.

I agree the claim didn't progress between July 2024, when it was handed to Zurich, and September 2024. However this was due to the AMC not sending the required details of the incident to enable Zurich to progress it. I saw Zurich took action to progress the claim straight away, it chased the AMC a number of times between July 2024 and September 2024 to provide details of the repair costs to enable the claim to progress, but this information wasn't provided to it until September 2024. I haven't seen any evidence of any avoidable delays caused by Zurich. And I can't fairly hold it responsible for a delay which was due to the AMC not providing the requested information, because this was outside of its control.

When Mr C's motor insurance policy became due for renewal in October 2024, he became aware there was an open fault claim on his record. He also changed cars in early November 2024 and again the premium was calculated with an open fault charge recorded. I saw Zurich accepted the premiums charged at the point of renewal and car change were higher than they would've been if the claim was recorded as closed as non-fault. However I saw it refunded the additional cost of the premiums charged as soon as it recovered the costs from the third-party insurer, and the claim was closed as non-fault.

The AMC should've advised Mr C they had passed his claim to Zurich in July 2024, but I think Zurich should've also made him aware it had re-opened the claim. I considered if the lack of notification had a negative effect on the progress of the claim. I'm not persuaded it did, because the claim progressed within a reasonable time once Zurich were provided with the information it needed. Because there was limited impact on Mr C, I think Zurich's apology, plus the recalculation of his premiums and refund of the additional amount charged due to the open claim, is fair in the circumstances of this complaint.

Therefore, although I recognise Mr C will be disappointed I don't uphold his complaint and don't require Zurich to do anything further in this case.

### **My final decision**

For the reasons I have given I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr C to accept or reject my decision before 16 July 2025.

Sally-Ann Harding  
**Ombudsman**