

The complaint

Miss G complained about Markerstudy Insurance Company Limited's ("Markerstudy") handling of a claim made against her by a third-party, under her motor insurance policy.

What happened

Miss G said Markerstudy paid a third-party's claim even though there was no collision involving her car. She said this has reduced her no-claims discount resulting in a significant increase in her premium. Miss G said the claim went to court in October 2024 and she won. She wants Markerstudy to provide a refund of the increase in premiums she's had to pay backdated to 2021 when the third-party's claim was made. Markerstudy didn't agree so she complained.

In its final complaint response Markerstudy told Miss G it hadn't received any information to dispute the third-party's version of events. It said it was unable to change the outcome recorded on the Claims and Underwriting Exchange (CUE) database. It explained that a fault claim will impact Miss G's no-claims bonus causing an increase in her premiums.

Markerstudy said it didn't have information regarding the court case Miss G referred to. But based on the information it had seen, it wasn't upholding her complaint.

Miss G didn't think she'd been treated fairly and referred the matter to our service. One of our investigator's looked into it for her. But he didn't uphold her complaint. He said Markerstudy wanted to inspect Miss G's car and asked her to provide further information describing the incident. But she didn't cooperate with its requests. Because of this it settled the claim on the best terms it was able to.

Miss G didn't accept our investigator's findings and asked for an ombudsman to consider her complaint.

It has been passed to me to decide.

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.

Having done so I'm not upholding Miss G's complaint. I'm sorry to disappoint her but I'll explain why I think my decision is fair.

It's not the role of our service to determine who is at fault for an accident. This is a role best placed for the courts. However, we can consider how Markerstudy handled the claim. More specifically if it did so fairly and reasonably and in line with her policy terms and conditions.

Miss G's policy allows Markerstudy to decide how best to deal with any claim. It doesn't need her permission to do this. Most motor insurance policies include this term. We don't think this is unfair as it's the insurer that pays the cost of any claim. So, it's in Markerstudy's

interest for Miss G not to be held responsible for an accident. That said it can't do anything that it wants. It must still treat Miss G fairly.

I've read the claim records when Miss G first contacted Markerstudy to report the incident with the third-party. The note says Miss G was driving down a dual carriageway. A third-party pulled in front of her and stopped. She said the third-party claimed she'd collided with his car, which she refutes. Miss G said she was unaware of the third-party until he pulled in front of her. She said that he took her keys, which she'd reported to the police. She also said that she thought the third-party was under the influence of drugs.

I can see that Markerstudy sent its 'Accident Report Form' for Miss G to complete. This asked her to provide a clear description of what happened. In addition, it asked her to provide contact details for any witnesses and a sketch of the incident. The claim records show Miss G didn't respond to Markerstudy's request. I can see that this was chased on 12 October 2021. The letter said without this information the business would find it difficult to repudiate the third-party's claim. It said Miss G must respond within 14 days or it would proceed with the claim as it saw fit. I've seen no evidence that Miss G responded.

Markerstudy's claim records make several references to arranging an engineer to inspect Miss G's car. But as she hadn't responded to any of the contacts it made, this wasn't something it was able to pursue.

I've seen a report completed by an independent engineer who carried out an inspection of the third-party's car. The engineer refers to damage to the driver's side rear. He said this was the result of a collision causing the vehicle to be unroadworthy. The engineer determined the vehicle was uneconomical to repair and that it should be categorised as a total loss.

From the records there was no CCTV or other footage of the incident. Similarly, there were no witnesses for Markerstudy to refer to and Miss G had confirmed she was at the scene of the accident.

Markerstudy has experience of accident liability cases that are disputed in court. Based on the evidence available to it, the business didn't think it could successfully challenge the third-party's claim. So, to avoid paying further costs it settled the claim in the third-party's favour.

I've thought carefully about whether Markerstudy treated Miss G fairly in these circumstances. I can see that her policy terms allow the business access to examine her car at an agreed time. The terms also say Miss G must provide full details of the claim. Based on this evidence and given the lack of cooperation and information from Miss G, I don't think Markerstudy acted unreasonably when deciding to settle the claim as it did.

I've thought about Miss G's comments that she won a court case against the third-party in 2024. I've read the court's ruling. However, this relates to a personal injury claim made by the third-party. The court ruled against the third-party due to his non-attendance. But the court didn't consider the damage claim to the third-party's vehicle only the personal injury claim. This was a separate matter. It doesn't impact on the claim Markerstudy settled for the damage to the third-party's vehicle.

Markerstudy has provided information from CUE showing entries relating to this claim and a previous incident two months earlier. The former is recorded as 'no-claims discount disallowed'. What this means is that Markerstudy incurred costs in settling the claim. This is sometimes referred to as a 'fault-claim'. But all this is referring to is that the insurer has paid costs relating to the claim. As indicated in the CUE record, this will reduce Miss G's no-claims discount. However, she had no discount when the policy incepted in June 2021. The

policy cancelled in September of that year so there was no time for a discount to be accrued here, regardless of the claim outcome. Insurers will consider any claims and incidents that have been reported when offering cover. As Markerstudy explained in its complaint response this will likely impact on the price of her insurance.

The other claim that shows on CUE described Miss G's car having been hit whilst parked. It says the no-claims discount is allowed, which means Markerstudy didn't incur any costs. Regardless of this, Markerstudy is still required to make a record of any incident it's made aware of. The record must be accurate, but I've not seen evidence that shows it isn't. Based on this information I can't agree with Miss G that the CUE records should be removed.

Having considered all of this, although I'm sorry Miss G is paying higher premiums, I don't think Markerstudy treated her unfairly when relying on its policy terms to deal with the third-party's claim as it did. So, I can't reasonably ask the business to provide a refund of the increased premiums she's paid or ask it to make a change to the CUE record.

My final decision

My final decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss G to accept or reject my decision before 15 August 2025.

Mike Waldron
Ombudsman