

complaint

Miss S is unhappy with the way Markerstudy Insurance Company Limited has dealt with a claim on her motor insurance policy.

background

A third party alleged Miss S was involved in an accident in February 2017 with a bus. A passenger on the bus has lodged a personal injury claim with Markerstudy giving Miss S's car's registration number. Miss S denies she was involved and is unhappy with the way Markerstudy has dealt with the matter.

In August 2017 Markerstudy said in its final response that it'd a duty to investigate what happened. It'd been chasing the third party for a response and seeking evidence. There was little else it could do as it needed a response before proceeding.

In October 2017 Markerstudy confirmed the claim was still open as it still hadn't received any further information from the third party. And its policy was to leave the claim open for 12 months from the last contact with the third party.

Our investigator felt that this complaint should be upheld. She said:

- Markerstudy has an obligation to investigate the claim to see if it's genuine. It'd done so by asking the third party's solicitor for more information. It'd also asked to inspect Miss S' car and said it would pay for the engineer to do so. That would be the correct thing to do in this case.
- But if the engineer's report shows no damage to Miss S' car suggested she was involved in the accident it wouldn't be reasonable for the claim to remain open on Miss S' policy. The claim was made in May 2017 and there hasn't been any substantial evidence from the third party to show Miss S' car was involved in the accident. And Markerstudy has given the third party and solicitors sufficient time to come back if they intend to pursue the claim which they haven't done.
- So, at this point Markerstudy should close the claim if the engineer's report shows there's no accident related damage to Miss S' car. If it receives more evidence from the third party or confirmation the claim's being pursued the claim can be reopened and investigated.

Markerstudy doesn't agree. It's said it hasn't arranged for an inspection of Miss S' car as it's awaiting the outcome of this complaint. It hasn't got and hasn't applied for the police report.

my findings

I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint.

I agree with the investigator's conclusions for the same reasons.

Assuming nothing more is received from the third party I don't think Miss S should have to wait until October 2018 before this claim is closed.

I think its fair for Markerstudy to now arrange an inspection of Miss S' car as soon as is reasonably possible. This inspection will be at its expense and should be at a time and place convenient to Miss S.

If that inspection shows there's no accident related damage to Miss S' car then the claim should be closed immediately and recorded as such on her claims record.

If however there's evidence of accident related damage to her car it will be reasonable for Markerstudy to leave the claim open until twelve months after the last correspondence from the third party in line with its normal procedure. If nothing more is heard from the third party that would appear to be until October 2018.

If the claim is closed and Markerstudy subsequently receives more evidence from the third party or confirmation the claim's being pursued the claim can be reopened and investigated.

Overall, I don't see any compelling reason to change the proposed outcome in this case.

my final decision

I uphold this complaint. To put things right Markerstudy Insurance Company Limited should arrange an inspection of Miss S' car as soon as is reasonably possible and if that shows there's no accident related damage to her car then the claim should be closed immediately and recorded as such on her claims record.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss S to accept or reject my decision before 8 March 2018.

Stephen Cooper
ombudsman