

complaint

Miss M complained about Liverpool Victoria Insurance Company Limited placing a marker against her on a fraud database.

background

Miss M took out a car insurance policy with LV in April 2016. She agreed to a direct debit (DD) mandate so that her policy premium would be paid from her bank account in monthly instalments.

Monthly DD instalments were paid from Miss M's account throughout, including 31 January and 28 February 2017, which totalled £142.53. But, sometime in March 2017, LV were told that Miss M had made an indemnity claim to her bank asking for the return of those two instalments. The bank then requested that amount from LV, which it would then refund to Miss M.

LV tried to contact Miss M a number of times to find out why she had made an indemnity claim, but Miss M didn't respond. She said she had changed address and hadn't received any correspondence. LV said Miss M hadn't told them of her change of address. LV also said they called Miss M and left a voicemail, and they sent her a text message for her to contact them.

In May 2017, LV reported the incident to the Credit Industry Fraud Avoidance System (CIFAS), a fraud prevention agency that keeps a fraud database. A marker was placed against Miss M saying she misused a facility, namely the DD indemnity claim facility, to claim back the instalments she wasn't entitled to.

Miss M later found out about the CIFAS marker so she complained. LV said they were correct to place the marker and refused to remove it.

Miss M complained to our service. One of our investigators looked into the complaint. He didn't think LV had done anything wrong.

As Miss M didn't agree with our investigator, the complaint has been passed to me to decide.

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 appreciate this will be disappointing for Miss M, but I won't be upholding her complaint. I'll explain why.

In her complaint, Miss M has made a number of detailed points and I've considered all those carefully. But in this decision I will focus on what I consider to be the key issues. My role is to decide if LV have dealt with Miss M in a fair and reasonable way.

I have seen the information from Miss M's bank. It shows that when she made the indemnity claim for the two instalments that had already been paid, she told her bank that LV weren't entitled to receive those payments. She said she had cancelled the DD payments with LV, but they continued to take those two instalments in January and February. From the evidence I have seen, that wasn't the case. Miss M's insurance policy was still valid and she

was, in accordance with her insurance contract with LV, expected to make those payments. I haven't seen any evidence that Miss M spoke to LV to say she didn't think she had to make those payments, nor did LV agree that she no longer had to make those payments.

During her complaint to LV, Miss M gave a number of reasons why she made the indemnity claim. Her reasons include: she thought she had overpaid LV; it was a mistake; and her bank applied the indemnity claims to the wrong DDs. LV didn't accept her reasons and said they were correct in placing a marker with CIFAS.

Miss M's policy says that where fraud is identified, LV will *"pass details to fraud prevention and law enforcement agencies who may access and use this information"*.

I think LV's actions were both fair and reasonable. They were entitled to the instalments and before placing the marker, they made efforts to contact Miss M by letter, phone and text message to get her side of what had happened, but she didn't respond.

my final decision

For the reasons set out above, I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss M to accept or reject my decision before 24 October 2018.

Mehmet Osman
ombudsman