

The complaint

Mr A complains that Acromas Insurance Company Limited (“Acromas”) failed to provide a hire car in a timely manner when his car broke down whilst abroad.

What happened

The facts of this complaint are well-known to both parties, so I won’t repeat everything here. But I’ll provide a summary of what’s happened, and I’ll then give the reasons for my decision.

In August 2020 Mr A purchased a European Breakdown Cover policy from Acromas. The policy was purchased to cover a family trip by car to Germany, lasting around ten days.

On 19 August 2020 Mr A contacted Acromas whilst in Germany to explain that his car was displaying a warning light, and he didn’t feel safe driving it. The car was taken to a local garage, but the garage estimated the repair would take four weeks to complete. As Mr A needed the car it was moved to an alternative garage where the repairs could be completed sooner. The repairs were completed on 24 August, when Mr A picked the car up.

Mr A has complained that although he asked for one, Acromas didn’t supply him with a replacement vehicle for him to use whilst his car was being repaired. Mr A says he paid €150 to get a taxi to the garage where his car was repaired, which he hasn’t been reimbursed for.

Acromas considered Mr A’s complaint and paid him £150 compensation for the fact that it didn’t provide a replacement vehicle. It explained that whilst it couldn’t be held responsible for the actions of third-party companies, it agreed that it was unacceptable that Mr A and his family were without a vehicle for five days.

Mr A didn’t agree with Acromas’ resolution. He didn’t agree that £150 adequately compensated him for the disruption to his holiday. And he also explained he was out of pocket because he’d had to pay for the taxi to pick his car up whilst in Germany. So he brought his complaint to our service.

Our investigator considered everything, but he didn’t think Acromas needed to do anything else to put things right. He explained that Acromas hadn’t made an error, so it wasn’t responsible for the fact that Mr A hadn’t been provided with a replacement car. And whilst he understood the inconvenience, he thought that £150 compensation from Acromas was a fair way to compensate Mr A.

Mr A didn’t agree, so the complaint has been passed to me to make a decision.

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 agree with the outcome reached by the investigator. I'll explain why.

- I've seen Acromas' claim file and I'm satisfied that throughout the course of the five days between 19 and 24 August 2020, it repeatedly chased the third-party companies it was relying on to arrange a replacement vehicle for Mr A. I do certainly acknowledge that there doesn't appear to have been much co-operation between Acromas and the companies it was dealing with in trying to secure a vehicle for Mr A, but from what I've seen, I'm not persuaded that was Acromas' fault. The claim file shows that Acromas was chasing the other companies several times a day, by phone and email, as well as attempting to get Mr A's car fixed as quickly as possible by following up with the company organising the repairs. I can also see that Acromas kept Mr A updated by phone and text message and provided him with a phone number so that he could try to contact the car rental company himself. Mr A refused to do this, explaining that Acromas should do it on his behalf.
- The terms and conditions for the breakdown policy that Mr A purchased explain that a replacement vehicle will be provided if there's availability. They state:

3. Replacement/Hire vehicles

1. Car hire availability or equivalent replacement for Your Vehicle cannot be guaranteed. Multi purpose vehicles, four wheel drive vehicles, minibuses, vans, motorcycles and vehicles with automatic transmission in particular are difficult to hire.

- Acromas had requested a nine-seater car for Mr A, as he'd explained that he needed a large vehicle in order to accommodate all of the family's possessions. After a couple of days, during a phone call with Mr A, Acromas realised he didn't specifically request a nine-seater, but a large car similar to his own. Acromas changed the request to include five- and seven-seaters, but there was still difficulty in obtaining a replacement car. So although requesting a nine-seater car might've initially been wrong, I don't think this significantly affected what happened here. I say this because the problem persisted even when Acromas requested a smaller vehicle, as it still wasn't able to provide one. And I also have to bear in mind that the nine-seater appears to have been requested with good intentions, following Mr A's request.
- Acromas informed Mr A that he could rent a hire car and claim back the cost of it, if he preferred. And it also informed him he should keep any other receipts used for travel, such as by using public transport or taxis, as he could claim this back too. So although Mr A had to get a taxi to collect his car, he's able to claim this back if he's able to provide proof of payment to Acromas. I know Mr A says that Acromas didn't tell him to keep receipts for travel so he's lost some of them, but I don't think it's unreasonable for Acromas to require these before it reimburses Mr A for anything. It's standard practice for an insurer to require receipts before reimbursing out-of-pocket expenses, and I think Mr A would've known this, even if he wasn't explicitly told.

I certainly understand that Mr A's travel plans were disrupted by the fact that he didn't receive a replacement vehicle when his car was being repaired, and I'm very sorry that this affected his trip. But in considering what happened here, I have to decide on what's fair. And as a replacement vehicle wasn't guaranteed by Acromas, as well as the fact that it wasn't Acromas that made an error in not delivering a vehicle, I don't uphold the complaint.

I think that Acromas has been fair to pay Mr A £150 in recognition of the trouble and upset that this caused him, and I don't require Acromas to do anything further. Despite this, I'd like to remind Mr A that if he has any receipts for the expenses he incurred as a result of this situation, he should contact Acromas to discuss reimbursement.

My final decision

For the reasons I've explained I don't uphold Mr A's complaint against Acromas Insurance Company Limited.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr A to accept or reject my decision before 15 June 2021.

Sam Wade
Ombudsman