

The complaint

Miss B complains about the settlement Inter Partner Assistance SA (“IPA”) paid her after she made a claim under her damage refund insurance policy.

IPA is the underwriter of this policy i.e. the insurer. Part of this complaint concerns the actions of its agents. As IPA has accepted it is accountable for the actions of the agents, in my decision, any reference to IPA includes the actions of the agents.

What happened

In mid-2023, Miss B hired a car while she was abroad and took out a damage refund insurance policy which was underwritten by IPA. After returning the car to the hire car company Miss B was charged almost £1,000 for a crack in the windscreen. So, she made a claim under her policy with IPA.

IPA accepted Miss B’s claim and told her it would be paying her £650. After Miss B queried why IPA wasn’t paying her the full amount she’d been charged, it referred her to a policy limit in its terms and conditions.

Miss B remained unhappy and raised a complaint. IPA maintained its position, so Miss B asked our service to consider the matter.

Our investigator didn’t think Miss B’s complaint should be upheld. He thought IPA had settled Miss B’s claim correctly, in line with the terms of the policy.

Miss B disagreed with our investigator’s outcome. She didn’t agree with his interpretation of the policy’s terms and conditions. She said the hire car company decided to make all the charges because of a cracked windscreen. All the fees that they decided to charge were as a direct result of this situation. She said she took out the policy when she hired the car via the hire car company. She didn’t think it was unreasonable to expect that the policy taken in conjunction with the car hire would cover the fees they decided to charge. So, the complaint 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’ve decided not to uphold Miss B’s complaint. I’ll explain why.

The excess cover section of the policy’s terms and conditions say:

“If your Hire Vehicle is involved in an incident:

We will reimburse you for the excess up to £2500 including fees and taxes, for any single incident / during any one period of insurance in total for the following:

Up to £2500 including fees and taxes, in total for amounts not covered under the collision damage waiver clause of your Hire Vehicle agreement but subject to the following: ...

- ✓ *Up to £650 for damage to the windscreen, windows or sunroof glass of the hire vehicle...*”

I understand IPA has paid Miss B £650 which is the policy limit for a damaged windscreen.

Miss B has commented that she thinks the rest of the money she was charged should come under the £2,500. But she's also said that the only damage she was charged for was the cracked windscreen. While there is an overall policy limit of £2,500, I think it's clear from the wording in the policy's terms and conditions that the maximum IPA was required to pay for damage to a windscreen is £650. So, I'm satisfied that IPA has settled Miss B's claim fairly.

I appreciate Miss B feels it's unfair that the settlement wasn't enough to cover the amount she was charged by the hire car company who sold her the policy. But this complaint is against IPA, as the insurer, and I can't see that it's done anything wrong. So, I haven't found reason to uphold Miss B's complaint.

My final decision

For the reasons I've explained, I don't uphold Miss B's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss B to accept or reject my decision before 15 July 2024.

Anne Muscroft
Ombudsman