

## **The complaint**

Mr S complains One Insurance Limited (One Insurance) unfairly declined to provide a hire car after he made a claim on his motor insurance policy

One Insurance are the underwriters of this policy i.e. the insurer. Part of this complaint concerns the actions of the intermediary. As One Insurance have accepted it is accountable for the actions of the intermediary, in my decision, any reference to One Insurance includes the actions of the intermediary.

There are several parties and representatives of One Insurance involved throughout the complaint but for the purposes of this complaint I'm only going to refer to One Insurance.

## **What happened**

Mr S made a claim on his motor insurance policy after he was involved in an incident.

Because Mr S had added 14 day guaranteed hire vehicle cover as an enhancement to his policy he tried to activate it. But he experienced difficulties when trying to contact One Insurance to do this, and therefore he organised and paid for a hire car himself.

Mr S wants One insurance to cover the cost of the hire car and pay compensation for the inconvenience caused when he was unable to organise this cover through itself.

Mr S made a complaint to One Insurance on 29 November 2023. Because it did not make a response he brought it to our service. One Insurance made a response in March 2024, and it offered to pay the £509.25 cost incurred for the car hire.

Mr S was not happy with One Insurances offer, so our investigator looked into the case and upheld his complaint. They said One Insurance should pay the cost of the hire car plus 8% simple interest from the date he paid for it. They said One Insurance should also pay him £200 for the distress and inconvenience caused when he tried to contact it for information on how to progress his claim.

As One Insurance is unhappy with our investigator's view the complaint has been brought to me for a final decision to be made.

## **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.

On 5 May 2023 Mr S was involved in an accident in which his car was damaged. The police were involved and told him to contact his insurer straight away, which he did.

I saw One Insurance told Mr S there was a lack of availability through its own approved network of repairing garages and recommended an alternative garage for him to contact to arrange repairs.

As part of the policy terms and conditions a hire vehicle will only be given if using One Insurance's allowed repairer. In this case One Insurance recorded Mr S had chosen to use his own garage for repairs. When it looked into Mr S's complaint it said if he had actually been able to make contact with it to arrange hire, he would not have been entitled to a hire vehicle through the cover due to him choosing to go through his own repairer.

I did not see any evidence that One Insurance told Mr S if he used the alternative garage it recommended, that he would not be entitled to use his guaranteed car hire cover. And I don't think it was reasonable for One Insurance to record that he had chosen to use his own choice of garage for repairs, and to then rely on the exclusion in the policy terms and conditions about hire only being given if using One Insurance's allowed repairer. Mr S did not choose his own garage for repairs; he used the garage recommended by One Insurance because of its own issues with a lack of availability within its approved network.

In March 2024 One Insurance agreed to pay the cost of the hire car. It said this was because of the difficulties Mr S experienced when contacting it. It did not agree to pay any further compensation for the distress and inconvenience caused. It said although there was no evidence Mr S had been informed of the process following the initial notification, its terms are clear that hire is to be arranged by One Insurance and Mr S had obtained hire himself before even contacting it.

I agree Mr S obtained car hire prior to agreement with One Insurance, however One Insurance accepted there had been service issues and that it didn't provide a satisfactory level of service to Mr S when he made his claim.

I saw Mr S hired a car on 5 May 2023 and I saw evidence of both phone calls and online chat conversations between 7 and 10 May 2023 in which he was again unable to obtain a clear answer from One Insurance regarding the car hire.

Mr S was not given information about not having the hire car due to him under the terms of the policy when making his claim. And additionally One Insurance's response to his complaint in March 2024 still said hire car was not due because of his choice of repairer. I don't accept he organised hire without first contacting One Insurance.

Therefore, I uphold Mr S's complaint and require One Insurance to:

- Pay for the cost of the car hire plus 8% simple interest from the date he paid for it until the date of its offer in March 2024.
- Pay £200 compensation for the poor service received and the lack of clarity on the correct claim process to follow.

### **My final decision**

For the reasons I have given I uphold this complaint.

I require One Insurance Limited to pay Mr S

- The cost of the car hire plus 8% simple interest from the date he paid for it until the date of its offer in March 2024.
- £200 compensation for the poor service received and the lack of clarity on the correct claim process to follow.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr S to accept or reject my decision before 7 August 2024.

Sally-Ann Harding  
**Ombudsman**