

## **The complaint**

Miss B complains that Liverpool Victoria Insurance Company Limited (trading as LV= Britannia Rescue) (“LV”) mishandled a claim on her breakdown insurance policy.

## **What happened**

Miss B was living with her partner and two young children. Their home was a long way from the most popular cross-channel ferry ports. They had a seven-seat car, first registered in 2010.

Miss B had a breakdown policy with cover for driving in Europe. LV was responsible for dealing with any claim.

If the vehicle couldn't be driven or repaired in time for a planned return journey, then the policy (section G6) covered extra costs of getting Miss B and her family home. It also covered the repatriation of the vehicle within 15 working days. The policy (section G7) also covered up to £800.00 for a hire car while Miss B was without her car in the UK.

One Tuesday in August 2022, the family were in the car in Germany, heading home to the UK. Unfortunately, early that evening, the vehicle broke down on a motorway near a city. So Miss B contacted LV. Her partner was due back at work on the Thursday.

Much of the complaint is about the acts or omission of LV's continental breakdown service provider. As I hold LV responsible for such acts or omissions, I may refer to them as LV's.

After Miss B and her family had been more than three hours on the hard shoulder, LV took the car to a local garage.

LV led Miss B to expect a taxi to take her family to a hotel. But they waited until about 11:00 pm, then walked to a hotel.

On the Wednesday morning, the garage said the car could not be repaired for several days. LV led Miss B to expect it to repatriate the car. So she and her partner left the car at the garage with many belongings in it.

LV provided some conflicting information about a hire car. In the late afternoon, LV provided a hire car. Miss B or her partner drove to a French coastal town where LV had led them to expect accommodation. But Miss B or her partner had to make their own arrangements for a hotel.

On the Thursday morning, they returned the hire car and got a taxi to board a cross-channel ferry as foot passengers.

LV led Miss B to expect a taxi from the ferry terminal in England. But – after waiting in vain – she paid for a taxi to get to a car hire depot, where LV had made a reservation. But Miss B ended up paying for that hire car. The family got home after Miss B's partner missed work that Thursday. LV gave conflicting information about whether it would repatriate the car.

LV reimbursed Miss B about £600.00 she had spent on hotel, taxi and hire car costs.

In early September 2022, Miss B complained about the service she'd received.

In early October 2022, she was still without a car.

By a final response dated late October 2022, LV said it was sending Miss B £300.00 for roadside delays and £150.00 for the inconvenience and delays experienced after the breakdown.

LV also said that it would allow Miss B to use the £800.00 towards any travel expenses such as train tickets.

In late October 2022, LV returned the car.

In mid-November 2022, LV said it had reimbursed the travel expenses.

Miss B asked us to investigate her complaint.

#### *our investigator's opinion*

Our investigator recommended that the complaint should be upheld. He thought that there had been delays in repatriation, confusion on the claim and distress and inconvenience. He recommended that LV should pay Miss B a further £100.00 for distress and inconvenience. The investigator said that LV should pay £50.00 for excessive calls made by Miss B. When LV asked for clarification, the investigator told LV that it should pay £100.00 – in addition to the £300.00 and £150.00 already paid.

#### *my provisional decision*

After considering all the evidence, I issued a provisional decision on this complaint to Miss B and to LV on 22 May 2023. I summarise my findings:

I was minded that LV hadn't paid enough compensation for the distress and inconvenience it caused Miss B particularly throughout September and October 2022.

Subject to any further information from Miss B or from LV, my provisional decision was to uphold this complaint in part. I intended to direct Liverpool Victoria Insurance Company Limited (trading as LV= Britannia Rescue) to pay Miss B – in addition to the sums already paid – a further £300.00 for distress and inconvenience.

LV accepted the provisional decision.

Miss B hasn't responded to the provisional decision.

So I see no reason to change my view.

#### **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.

Where a consumer has complained about a claim under an insurance policy, the Financial Ombudsman Service treats it as a complaint against the insurance company that was responsible for dealing with the claim.

Where we uphold a complaint about an unfair act or omission, we don't assess compensation at a level intended to punish or deter such an unfair act or omission. Rather, we look at its impact on the policyholder. This may include financial loss. It may also include distress and inconvenience including their distress on behalf of other family members.

In my view, the breakdown and the need to make a claim were bound to cause Miss B inconvenience and distress.

LV was responsible for keeping Miss B and her family waiting on the hard shoulder. I don't doubt that Miss B was worried, particularly about the children. But I have to say that LV's payment of £300.00 was higher than I would otherwise have found fair and reasonable compensation for this.

LV was also responsible for keeping Miss B and her family waiting at the garage. This led Miss B and her partner to make an unsettling walk with the children to the hotel.

LV was also responsible for poor communication on the Wednesday. This led to further inconvenience in hanging around, making phone calls and finding accommodation for that night.

LV was also responsible for poor communication on the Thursday. This led to further inconvenience and delay in starting the final leg of the long journey home.

I can't hold LV responsible for a loss of earnings on the part of Miss B's partner.

I accept Miss B's evidence that LV's continental service provider often kept her waiting on the telephone. I haven't seen enough detail to show the cost of wasted calls. But the impact on Miss B included wasted time and a feeling that she was powerless to get the car back.

LV was also responsible for incorrect information about repatriating the car and for a delay of about six weeks in doing so. The impact of that on Miss B included being without the car for much longer than she should've been. Indeed in September and October 2022, the impact included uncertainty about when, if ever, she would get the car back.

As the policy booklet stated the £800.00 allowance for a UK hire car, I don't hold LV at fault for not drawing that to Miss B's attention. And after LV mentioned it, Miss B and her partner preferred to accept LV's offer to reimburse alternative travel expenses. So I don't find that they are out of pocket. And, in assessing fair and reasonable compensation for distress and inconvenience including loss of use of the car, I take into account that LV has paid those travel expenses.

LV considers that I should also take into account that it has paid both hire car and accommodation costs, which it says were alternatives. However, I consider that they were alternatives under section G3 of the policy, when the car couldn't be repaired on the day of the breakdown. Miss B was covered in addition for repatriation of her family (and the car) under section G6, when the car couldn't be repaired before her planned return to the UK.

And in the context of a breakdown with a family so far from home, I consider that the costs of repatriation of her family could include both accommodation and transport.

### **Putting things right**

Overall, I consider that LV hasn't paid enough compensation for the distress and inconvenience it caused Miss B particularly throughout September and October 2022. I find it fair and reasonable to direct LV to pay Miss B - in addition to what it has already paid her – a further £300.00 for distress and inconvenience including loss of use of the car.

### **My final decision**

For the reasons I've explained, my final decision is that I uphold this complaint in part. I direct Liverpool Victoria Insurance Company Limited (trading as LV= Britannia Rescue) to pay Miss B – in addition to the sums already paid – a further £300.00 for distress and inconvenience.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss B to accept or reject my decision before 7 July 2023.

Christopher Gilbert  
**Ombudsman**