

The complaint

Mr S complains that Helvetia Global Solutions Ltd delayed in dealing with his breakdown whilst he was abroad, haven't reimbursed him all the costs he incurred, and gave him poor customer service.

What happened

Mr S took out a breakdown recovery policy with Helvetia to cover his holiday abroad with his wife.

In June 2023 Mr S drove to Europe on his holidays but not long after arrival his car broke down and he called Helvetia to help with recovery.

There was a delay in the recovery vehicle coming out due to incorrect recording of the location, and so the car was eventually taken away on 16 June.

Mr S was initially told the car would be returned on 17 June and so no hire car was needed, but when it didn't arrive back on 17 June, Mr S emailed Helvetia to ask them to organise a car for him and his wife as they had no transport and were getting low on food. Mr S says he had no response and so he organised his own hire car for the next day. Later that day, Helvetia advised that they had arranged a hire car and a taxi to transport Mr S to pick it up. The taxi arrived late and by the time Mr S had collected the hire car and returned, he was too late to cancel the one he had booked himself, incurring a 215.99 euro charge.

The repair garage ran diagnostics and Mr S was emailed to approve repairs, but he didn't receive this e mail as it was sent to his e mail address, not his wife's - which he had requested. He approved the repairs on 21 June and was told the car would be ready on 24 June as he was due to return home on 26 June.

On 25 June Mr S was told that the car would no longer be ready and the repair completion was delayed till 27 June, delaying their return to the UK by one day.

After discussion of options, Helvetia agreed to pay for two night's hotel stay, the rebooking of the ferry, and for a taxi to collect the car.

Mr S had been notified that the car would be ready for collection on 27 June late in the evening but when he had no update about collection, he had to extend the stay at the hotel for an extra night. On the next day he was told the hotel was full, and so he packed up and left, but fortunately the hotel had a cancellation at the last minute and he was then able to stay a further night but spent the day waiting for an update. On 29 June Mr S was finally collected and taken to the garage to collect his car. He then had to rebook the ferry for 30 June and rebook his hotel stay on 29 June, which cost an extra 45.80 euros.

Mr S complained that he was left out of pocket having paid for a return ferry at £180, £328.80 euros in taxi fares, and £177.48 euros for additional insurance for the hire car. He says he lost £215.99 on the cancellation of the hire car.

Helvetia offered Mr S £50 for the delays caused in dealing with his initial claim. Helvetia say they paid for the hire car they booked, and taxi's up to the policy limit of £350, as well as the hotel stay and the re booking of the ferry, so they had met their obligations under the terms of the policy.

Mr S remained unhappy and brought his complaint to us.

One of our investigators has looked into Mr S's complaint and thought that Helvetia should reimburse Mr S for the hire car cancellation charges and pay £250 for distress and inconvenience.

Helvetia disagreed with our investigators' view, and so the case came to me to review. I issued a provisional decision on the complaint. My provisional findings were as follows:

I've looked at the policy terms, and thought about whether they have been applied correctly, and if so whether the outcome was fair and reasonable for Mr S. Having done so I am upholding this complaint, but on different terms to the investigator.

The policy terms on the certificate of insurance say:

"After receiving local recovery we will offer one of the following options:

- i. Alternative transport -
Up to £350 to continue your journey whilst the vehicle is being repaired and up to £100 for one person to return and collect the repaired vehicle*
- ii. Overnight hotel accommodation -
Up to £150 for a lone traveller or £75 per person up to a maximum of £500 per incident whilst the vehicle is being repaired.*
- iii. Replacement vehicle hire - Up to £350 to continue your journey.*

This cover only applies if Breakdown is more than 20 miles from your home address, destination or any pre-booked accommodation.

Repatriation of passengers from Europe

If the vehicle cannot be repaired by your intended return date to the UK, we will pay the cost of getting you and up to 7 passengers to your home address subject to a limit of £300 per person and £2000 in total. We will also pay up to £100 towards the cost of alternative transport for one person to return and collect the vehicle once the repairs are complete".

Alternative transport reimbursement

Mr S has complained that Helvetia have paid £119.85 for the hire car and £230.15 towards the taxis to and from the hire car, which reaches the £350 limit under the policy. However, the taxis cost him 328.80 euros (£287.26) which leaves him £57.11 out of pocket on the taxi fares he paid.

Mr S says that the taxi fare was so high because the taxi company couldn't find the house to collect him, despite being given the right address, and there was a 100 euro fare already on the clock when the taxi arrived to collect him. Mr S doesn't see why he should have to pay this as it wasn't his fault the taxi driver couldn't find him.

Helvetia have said that the policy limit was reached, and so there is nothing further they can pay. Although I agree that the policy limit for onward travel was met, I don't think it's fair and reasonable that Mr S is responsible for the additional taxi fare when it stemmed from a failure of one of Helvetia's agents to find Mr S's location. As such, I think that Helvetia should meet the excess taxi fare over the £350 limit.

I can see that Mr S also incurred £180 ferry fare for the return journey after it had to be rebooked following the delay in repairs. I understand that Helvetia have already offered to pay this, and so I confirm that they should now do so.

Hire car cancellation fee

In respect of the hire car, Mr S says he incurred a 215.99 euro cancellation fee. I don't think that Helvetia are responsible for this. The contact notes show that Mr S first asked Helvetia about a hire car on 16 June, saying he needed it from 17 June and asking if it was something he should arrange himself.

On 17 June at 9.18 Mr S contacted Helvetia again. He said if he didn't have contact within the hour he would start and organise his own hire car. Helvetia did respond that the European team were working to obtain one for him, but didn't give any clear timelines, and although I can see they were working on it, communications to Mr S were poor and so Mr S arranged his own car.

However, at 13.29 Helvetia did contact Mr S by e mail to advise they would look into a rental a car, and a follow up email was sent at 14.47 advising that the arrangements for the hire car had been made, and a taxi would pick him up at 15.45 that day to collect it. Unfortunately the taxi arrived an hour late. I accept that by the time Mr S returned later that day it was too late to cancel the hire car he had booked himself, but I do think that as soon as Mr S was made aware that the hire car had been booked, or at the latest when the taxi arrived to take him to pick up the hire car, he was in a position to cancel his own booking. I therefore I can't hold Helvetia responsible for Mr S's failure to do so and I'm not going to ask them to reimburse the cancellation fee.

Hire car insurance

When Mr S collected the hire car, he paid 177.48 euros to the car hire company for additional insurance on the hire car. I am satisfied that this fee would never have been covered as it was excluded under the policy terms:

*"This policy will not apply for any claim caused by, arising from, or relating to, the following:
36. The cost of fuel, oil or insurance for a hire vehicle."*

However, Mr S says he thought this was a hire fee and that it was covered because Helvetia told him that all expenses related to the hire car would be met.

Although I appreciate there was miscommunication about the purpose of the fee, I can't see that Mr S was advised that that all costs related to the car would be met. I can see that when Mr S first enquired about a hire car, he was advised to refer to the policy limits, so I think he was aware of the £350 limit and so in view of that, I'm not going to ask Helvetia to reimburse this fee.

Delays in repairs and parts availability.

I can see that the repair quote was provided to Mr S on 20 June, and he approved repairs on 21 June. Unfortunately due to difficulty obtaining parts, the repair was delayed, and it caused delay to Mr S's departure from Europe.

I can't fairly say that Helvetia are responsible for the delays caused by the availability of parts. I appreciate that Mr S says that if he had known, he would have made different choices about using the approved garage, but I can't say for certain that another garage would have been able to obtain the parts, and so I can't say Helvetia have failed to provide an adequate service here.

Delays and service issues

Mr S has complained about the service that he received and so I've reviewed it in its entirety.

While Mr S's biggest frustration came from the delay in the repair, for which Helvetia aren't responsible, there were other failures and delays in communicating messages throughout the claim, and I can understand how this impacted Mr S's holiday.

Any car breakdown will cause some inconvenience and upset to a holiday but taking out a breakdown policy to assist in these situations means that it should be minimal. In Mr S's case there was a delay in collecting the car initially, delays in communications about the hire car, and poor communication over the repairs, which led to Mr S and his wife not knowing if they had a bed for the night on one occasion. I appreciate that some of this poor communication was by Helvetia's European partners, but Helvetia are responsible for the failings of their agents. And so I'm satisfied that it is appropriate to make an award for distress and inconvenience, and I consider £250 is fair and reasonable for what has occurred.

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.

Both Mr S and Helvetia have responded.

Helvetia have accepted the decision but think that adding the interest is unfair as they have previously asked Mr S for his bank details to make part of the payment. I don't agree it is unfair. Mr S hasn't refused the payment to make additional gain, but because he was appealing the decision, and I can't see that anyone explained to him that our decision would be unaffected by accepting interim payments, so I'm satisfied that awarding the interest is fair as Mr S has lost the use of those funds for the stated period.

Mr S has made further representations regarding not knowing about the £350 limit, the length of time that it took for the car to be repaired and some of the poor communication. However, I consider that I have already addressed these points above, and so I'm making my final decision in line with my provisional findings

Putting things right

To put things right, Helvetia should pay Mr S:

- £287.26 for the full taxi fares incurred.
- £180 for the return ferry fare
- 8% simple interest on both of the above sums from the date they were paid to the date of settlement.

- £250 for distress and inconvenience caused
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My final decision

My final decision is that I am upholding Mr S's complaint about Helvetia Global Solutions Ltd and directing them to put things right as above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr S to accept or reject my decision before 13 February 2024.

Joanne Ward
Ombudsman