

The complaint

Miss M complains that Accredited Insurance (Europe) Ltd ('AIE') did not provide a courtesy car in connection a claim she made on her motor insurance policy.

What happened

Miss M had a fully comprehensive motor insurance policy with AIE.

On 1 April 2023, Miss M's car was stolen after a burglary in her home. The car was later recovered although it had sustained some damage during the theft. On 4 April 2023, AIE instructed an approved repairer to assess the vehicle with a view to repairing it. No courtesy car was provided to Miss M at this time.

On 5 June 2023, Miss M went to collect her car, but she was not satisfied with the quality of the repairs. AIE agreed to do some further work on the vehicle and Miss M was then provided with a courtesy car. Miss M then realised her policy allowed for her to be provided with a courtesy car back in April when her car was initially taken in for repair.

Miss M said that between April 2023 and June 2023, she had incurred additional costs because she did not have the use of her car. She had to pay additional childcare costs of approximately £50 per week. She also said she had additional travel costs. Miss M told us about a second job she'd had on a weekend. She said that she lost this additional job because she was unable to travel to her place of employment.

Miss M complained to AIE because it didn't provide her with a courtesy car. In response to the complaint, AIE said that the policy only required it to provide a courtesy car if such a vehicle was available. AIE said that the approved repairer did not have any available courtesy cars at the relevant time.

Miss M did not accept what AIE said and so she brought her complaint to the Financial Ombudsman Service.

Our investigator considered the matter. She said that AIE had not provided any evidence to suggest they considered whether a courtesy car was available. She thought the complaint should be upheld and that AIE should pay Miss M £10 a day for each day she was without her car.

Miss M accepted our investigator's view, but AIE did not. It altered its position and said that Miss M had not requested a courtesy car and that if she had, it would have looked to provide her with a vehicle. Given the time that had now passed, it was unable to say whether a courtesy car was available in April 2023.

As AIE did not agree with our investigator, the matter was passed to me for an ombudsman's decision.

I issued a provisional decision because I thought the complaint should be upheld but for slightly different reasons to our investigator. I said:

"The terms and conditions that apply to Miss M's policy say that, subject to availability, where AIE has agreed to repair her car, it will provide her with a courtesy car to use until the repairs are finished.

As our investigator said, it looks as though AIE contacted its approved repairer on 4 April 2023 with an instruction to repair the vehicle. I understand Miss M collected her car on 5 June 2023. With that in mind, I understand Miss M's vehicle was in for repair for approximately 62 days.

As I said above, in response to Miss M's complaint, AIE initially said that its approved repairer had not provided a courtesy car because no such vehicle was available. However, its position later changed, and it said Miss M had not requested a vehicle and so its approved repairer had not looked to provide one. It is not clear why AIE initially said in its complaint response that there was no vehicle available when this had not actually been checked.

That said, I provisionally agree with our investigator that the onus was not on Miss M to request a courtesy car. The terms of the policy do not require Miss M to ask for or apply for a courtesy car. I am satisfied it was the responsibility of AIE to provide a courtesy vehicle if it could. No action appears to have been taken at the relevant time in April. As no enquiries were made at the time, AIE says it cannot now tell us whether a courtesy car could have been provided.

With that in mind, I further agree with our investigator that AIE made a mistake in dealing with Miss M's claim and it will need to take action to put that right.

Our investigator noted that Miss M had incurred additional childcare costs for the time she was without a vehicle. She recommended that AIE pay £10 a day to Miss M to compensate her for each day she did not have a car between 4 April 2023 and 5 June 2023. This would have worked out at around £620 in total.

Looking at all of this in the round, I accept that Miss M did incur childcare costs of £50 per week for at least part of the period she was without her car. In addition to that, Miss M told us that she was inconvenienced by not having a car and that generally getting around was more difficult and more expensive. I understand Miss M has a child and I think that the inconvenience she experienced would have been compounded in that regard.

I know Miss M told us she had a second job that she undertook on a weekend. She told us she lost this job because she could not travel to work without a car. I understand our investigator asked for some further information about this matter, but Miss M couldn't supply us with any further evidence. Without any such further information, I can't reasonably find AIE responsible for the loss of Miss M's work.

Putting all of this together then, I am satisfied that AIE should reimburse Miss M for the childcare costs she incurred because she did not have a car. I also think AIE should compensate Miss M for the linked inconvenience for being without the use of a vehicle for that time.

It follows that given Miss M did incur childcare costs for part of the time she didn't have a courtesy car at £50 per week and because of the clear linked inconvenience she faced that I'm minded to say that the £620 our Investigator suggested feels fair."

I asked the parties to provide me with any more information or evidence they wanted me to consider. AIE did not respond. Miss M sent some correspondence about her second job and proof of her childcare costs.

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 see no reason to depart from my provisional finding and I uphold this complaint.

Miss M kindly provided proof of her childcare costs and I can see that she was paying £10 a day as she told us.

From the additional information Miss M provided, I can see that she had arranged for a friend to drive her to her second job and that her employer had contacted her to find out whether she would be in work.

I do appreciate the effort Miss M has put in to provide me with this additional information, but I can't say it is enough for me to reasonably conclude the mistake made by AIE caused Miss M to lose her second job.

On that basis, for the reasons set out above, my view remains that a fair resolution of this complaint is for AIE to pay £620 to compensate Miss M for her childcare costs and the inconvenience identified above.

Putting things right

I require AIE to pay £620 to Miss M to compensate her as set out above.

My final decision

I uphold this complaint about Accredited Insurance (Europe) Limited.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss M to accept or reject my decision before 24 April 2024.

Nicola Bowes
Ombudsman