

The complaint

Ms M complains about how Accredited Insurance (Europe) Ltd (“Accredited”) handled a claim under her car insurance policy. When I mention Accredited I also mean its suppliers and claims handling companies working on behalf of Accredited.

What happened

Ms M had a motor insurance policy with Accredited covering her car. She bought the policy online through a comparison website.

When she bought the policy she told Accredited that she hadn’t made a claim in the last five years.

In February 2024 her car was hit by a third party while parked. She contacted Accredited and made a claim. Accredited looked into it and told found that Ms M hadn’t told it about a previous claim she’d had, and some other discrepancies.

Accredited said Ms M would need to pay an additional premium of £69.01 including a £30 administration fee because she’d misrepresented her details and it needed to recalculate her premium.

Accredited’s repairer couldn’t supply her with a courtesy car due to lack of availability. Instead, Accredited tried to supply Ms M with a hire car from its supplier, but Ms M didn’t accept this hire car because of its terms and conditions, and because the supplier asked for a refundable £1 deposit. She was left without a car for six days which caused her inconvenience. She paid for a taxi and a delivery charge in this period.

Ms M complained to Accredited about a range of issues with her claim. Accredited refunded the additional premium she’d paid as a gesture of goodwill but it said it didn’t uphold her complaint.

As Ms M remained unhappy, she brought her complaint to this service. She complains about the manner in which she was questioned by Accredited about the non-disclosed claim, that Accredited was in breach of contract by not supplying her with a courtesy car, that it made an error in charging her the additional premium, and about the way its supplier tried to give her the hire car. She also took out policies elsewhere and has said this cost her over £1,300 in higher premiums. She asks for compensation.

Our investigator looked into Ms M’s complaint and thought it wouldn’t be upheld. He thought Accredited had acted fairly in how it dealt with Ms M’s claim and its decision to refund the £69.01 was fair.

Ms M didn’t accept the view. Because she didn’t agree, this complaint has been passed to me to make a final decision.

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.

Ms M has supplied very detailed responses to the view, in which she talks about several aspects in law that she wishes me to consider in my decision. I'm not going to respond to every point she's made, instead I'm going to focus on what I think are the key points of her complaint. This is in line with the informal approach of this service.

Having read the file of evidence, I'm not upholding Ms M's complaint. I appreciate my decision may be disappointing to her, and I'll explain why I've decided this.

I've looked at the various parts of Ms M's complaint, and I'll consider them in turn.

When she applied for cover, Ms M was asked: *"Have you had any motor accidents, claims or losses in the last five years? This is regardless of who/what was at fault or if a claim was made or not. If you don't tell your insurer about previous accidents, claims or losses, your car insurance may not pay out if you make a claim."*

Ms M answered "No" to this question. But she'd been involved in a non-fault incident overseas, and she thought she didn't have to disclose the incident as it wasn't a requirement to do so in that country.

Ms M has said she regards this as Accredited's error. But I don't agree. I think the question asked of her was clear and fair. As Ms M misrepresented her claims history, Accredited then had to refer her policy for validation before it could proceed with her claim. I'll also mention it also found Ms M had made another mistake in her application, and that her car wasn't taxed.

Ultimately, Accredited asked Ms M to pay the additional premium representing the amount she should have paid if it'd known the correct information, plus an administration charge. I think its actions here were fair.

I can see from the file Ms M paid this extra amount, and Accredited later refunded it in full when she made a complaint. I also think this was a fair response.

I've listened to the calls and read the correspondence when Ms M was asked about her previous incident. Ms M found this threatening and intimidating. I can appreciate that she may have felt this way, but Accredited has obligations to make sure that the information it has is correct. And that may mean saying to customers that it may need to cancel their policy if it doesn't get it. Having reviewed the situation, I don't find Accredited's approach unfair or unreasonable.

From the information I have, Ms M's policy information, including the policy terms and conditions, were sent to her by email. Accredited has said it didn't receive any calls or questions from Ms M about them.

In later correspondence, Accredited said that when Ms M cancelled her policy, it'd waived the cancellation fee of £60 as a gesture of goodwill.

Under the terms of her policy with Accredited, Ms M was entitled to a courtesy car. This cover applies when her car was being repaired by one of Accredited's approved repairers.

The relevant section of the policy wording says: *"Once we have decided that our approved repairer can repair your car, we will provide you with a courtesy car to use until the repairs are finished, subject to availability."*

I can see from later correspondence that Ms M says: *"In my case my reliance to access an*

unconditional courtesy car was essential due to age and restricted mobility.”

Unfortunately for Ms M I don't agree that insurers have to give customers access to unconditional courtesy cars as I don't think that's reasonable. A courtesy or hire car will always be supplied according to some terms and conditions. In the policy wording, it says what the type of car will likely be as well as the caveat that one might not be available.

Accredited was aware the particular repairer didn't have a courtesy car Ms M could use, so it arranged to have a hire car delivered to her. Under strict interpretation of the policy wording, Accredited didn't have to supply her with a car, as the terms say it's subject to availability. But it still tried to help Ms M, which I think is fair.

I don't agree that this information was hidden in the policy terms which, as I say above, were reasonably sent to her.

When Accredited's supplier tried to deliver the hire car to her, Ms M said she wasn't happy to sign up to the supplier's terms and conditions. She said the supplier wasn't willing to provide her with a copy. The supplier also asked Ms M for a deposit of £1 paid by card. Ms M has said she wasn't willing to give the supplier her bank details.

Ms M has supplied some of her own terms and conditions she says she gave to the hire car supplier, which it refused to sign. As both parties then seem to have reached an impasse, the hire car supplier took their car away again.

I've read Accredited's final response to Ms M about this. I can see in the file that Ms M was told the £1 would be taken and was refundable. I can see she's been told she had time to read the terms and conditions on the tablet presented to her to sign for the hire car. Ms M has talked about her frustration at being given a contract to sign which she felt may have been unfair and unjust, and asking for a copy of it that was apparently refused.

But having read that Ms M produced her own version of a contract she asked the hire company to sign, which was refused by the delivery driver, I think it's reasonable I say that this interaction between her and the hire company went on for some short time at least.

I'd also say that Accredited's communications to her are clear that the £1 payment would happen and that it would be refunded.

Taking all of this into account, I say above that I think Accredited acted fairly in providing Ms M with a hire car in lieu of its courtesy car. But Ms M chose to not accept it. I think it's fair I say that, at any point, Ms M could have contacted Accredited and asked about what was happening and gained the clarity she needed.

So I don't think Accredited acted unfairly in how it tried to supply Ms M with the car. Ms M may well have felt the situation was unreasonable, but her refusal to accept the car led directly to her own inconvenience for the days she was without her car. It follows that I don't think Accredited need to refund any of Ms M's costs she paid as a result of her refusal to accept the hire car on the terms presented.

As a result of her experience, Ms M then cancelled her policy (and, it seems, her home insurance as well), and set these up at additional cost with another insurance company. She's asked that Accredited pay her extra costs for these policies, plus extra for her distress and inconvenience.

Because I don't think Accredited acted unfairly in how it handled Ms M's claim, I can't reasonably say it's caused her distress and inconvenience. And I can't reasonably ask it to

pay for Ms M's extra costs she's had because she chose to leave Accredited, and chose to place her business with the new insurance company. So, I think any extra costs she's paid are hers to bear and I'm not upholding her complaint.

My final decision

For the reasons set out above, it's my final decision that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms M to accept or reject my decision before 20 December 2024.

Richard Sowden
Ombudsman