

The complaint

Mr M complains that RAC Financial Services Ltd provided misleading information about the price of his roadside assistance insurance.

What happened

Mr M took out roadside assistance insurance with RAC expecting it to be guaranteed cheaper than a competitor's price. But RAC declined his claim for the price guarantee. It said the terms and conditions of its offer state that the policy must be bought directly from its website. But Mr M had bought his policy through an affiliate's website using its vouchers, so he hadn't complied with the terms and conditions of the offer. Mr M thought RAC's offer was misleading.

Our Investigator didn't recommend that the complaint should be upheld. She thought the terms set out clearly that the policy must be bought directly from RAC's website. And she thought Mr M had bought his policy indirectly through the affiliate's website. So she thought RAC need do nothing further.

Mr M replied asking for an Ombudsman's review, so his complaint has come to me for a final decision. He said he thought the website where he had bought his cover was the RAC's.

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.

I can understand that Mr M didn't want to pay more for his policy than he needed to. And I can understand that he felt frustrated that RAC didn't provide him with the price that he expected.

Our approach in cases like this is to consider whether the business has acted in line with the terms and conditions of the policy and fairly and reasonably. RAC's website contains the price guarantee terms and conditions. Point one of the terms states:

"You must purchase your RAC breakdown cover via www.rac.co.uk"

But Mr M didn't buy his policy directly from this website. He bought it through a partner business's website so he could use loyalty vouchers to pay some of the cost. The website provided him with information about the loyalty points he needed to exchange for the policy he wanted. So Mr M knew the cost of his cover from the partner's website.

Mr M was then directed to RAC's website to complete his details. But I'm satisfied that Mr M didn't buy his policy directly from RAC's website and therefore he didn't meet the terms and conditions for the price guarantee.

So I'm satisfied that RAC acted fairly and reasonably, and in keeping with the policy's terms and conditions, when it declined Mr M's price guarantee claim. And so I don't require it to do anything further.

My final decision

For the reasons given above, my final decision is that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr M to accept or reject my decision before 9 May 2025.

Phillip Berechree
Ombudsman