

The complaint

Mr J complains about the size of a hire car provided by U K Insurance Limited trading as Churchill ("UKI") following a claim on his motor insurance policy.

What happened

Mr J's car was damaged in an accident and needed to be repaired. His insurance policy includes a guaranteed hire car in these circumstances but Mr J was unhappy with the car provided, which he said was too small. He complained but UKI said it had acted in line with the policy requirements.

When Mr J referred the complaint to this Service, our investigator said UKI had provided a hire car in line with the policy terms and subject to what was available.

Mr J disagrees and has requested an ombudsman's 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.

Insurers should deal with claims promptly and fairly. They have a duty to give consumers the information they need in a way they can understand, and the information should be clear, fair and not misleading

UKI accepted Mr J's claim and arranged for his car to be repaired, but he's unhappy with the car provided while he waited for his own car to be repaired. He says the car is too small, and isn't similar in size to his own car, which is what he expected.

The starting point is the policy terms. These set out what UKI will provide as follows:

"Guaranteed Hire Car Plus is designed to keep you mobile while your car is being repaired, by providing you with a hire car that's a similar size to your car. You may also have access to the car for longer than if you only have courtesy car cover.

The type of hire car provided is decided by the hire car company and is dependent upon your car:

- *If your car has up to 5 seats – a hire car up to a 4/5 door standard saloon may be provided.*
- *If your car has 6 or more seats – a hire car up to a Mini MPV may be provided.*

We'll always try to provide you with a hire car that's a similar size to your car, but sometimes one may not be available. We cannot guarantee that your hire car will be the same as your car in terms of its size, type, value or status."

It's clear from this that UKI does not guarantee the hire car will be the same size as the policyholder's own car – only that it will be something similar. The policy terms explain that, if the policyholder's car has up to five seats, a hire car “*up to a 4/5 door standard saloon may be provided.*” So that's what Mr J could reasonably expect to be provided.

The initial car offered to Mr J was smaller but when he questioned this, a larger car was provided. It may not have been quite as large as his own car, but the policy does not guarantee that.

Mr J says there was no point paying extra for the guaranteed hire car, as the basic courtesy car would provide similar cover. But that would likely have been a small hatchback and he was given something bigger.

He also says the car hire firm told him if he wanted a larger car, which they could provide, the insurer would need to pay extra. Even if that's the case, it doesn't mean UKI was obliged to do that.

The aim of the hire car guarantee is for the policyholder to have a car they can use, to keep them mobile while their car is being repaired. The policy terms are clear, set out what sort of car will be provided, and make it clear there's no guarantee it will be the same size as the policyholder's car. I don't think they are misleading and I'm satisfied UKI arranged for a car to be provided in line with those terms.

My final decision

My decision is that I don't uphold the complaint.

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

Peter Whiteley
Ombudsman