

The complaint

Mr S complains AmTrust Specialty Limited (AmTrust) failed to provide him with appropriate breakdown services when he made a claim on his motor insurance policy.

AmTrust are the underwriters of this policy i.e. the insurer. Part of this complaint concerns the actions of the intermediary. As AmTrust have accepted it is accountable for the actions of the intermediary, in my decision, any reference to AmTrust includes the actions of the intermediary.

There are several parties and representatives of AmTrust involved throughout the complaint but for the purposes of this complaint I'm only going to refer to AmTrust.

What happened

In August 2024 Mr S's motorhome broke down whilst he was traveling abroad. He contacted AmTrust for breakdown assistance.

AmTrust's recovery operator made the decision to organise to tow Mr S's motorhome because they felt it wasn't repairable at the roadside. Because it was the weekend it was unable to provide a repairer straight away. Whilst waiting for AmTrust to find a repairer Mr S found an engineer nearby who said it could make the required repair, however this wasn't one of AmTrust's approved repairers.

Four days after Mr S made the breakdown call his motorhome was towed to a workshop 60 kilometres away. The required part was obtained and then fitted, and the repairs were completed on 24 August 2024. Mr S had to settle the costs of the repair which he said were unreasonable.

Mr S complained that because AmTrust was unable to complete the repairs within 48 hours it should have arranged transportation to his home or destination. He said this was the service he was entitled to under the terms and conditions of his policy. He incurred costs for accommodation whilst the motorhome was being repaired and he said it also unfairly declined to reimburse these costs.

AmTrust accepted that when Mr S made his claim it didn't set his expectations that his policy didn't cover hotels and other services until 7 September 2024 which was when he was due to return to the UK. In recognition of the poor service given it made a payment of £100 for the inconvenience of the additional times he contacted it up to 20 August 2024. It didn't uphold his complaint regarding the European breakdown terms and conditions and roadside assistance provided. It said this is not guaranteed under the terms of the policy.

Because Mr S was not happy with AmTrust, he brought the complaint to our service.

Our investigator upheld the complaint. They looked into the case and said, because there was no actual set date of return to the UK AmTrust had treated Mr S fairly in line with the policy conditions. They said taking into consideration all the trouble and inconvenience Mr S

went through during his claim, plus his medical condition and being a solo traveller the £100 compensation wasn't sufficient and should be increased to £200.

As Mr S is unhappy with our investigator's view the complaint has been brought to me for a final decision to be made.

What I provisionally said

Roadside assistance and timescales

Mr S reported the breakdown on Saturday 17 August 2024. He confirmed he was due to return to the UK in approximately three weeks but there was no specific date.

Based on the information provided by Mr S, AmTrust's local recovery operator thought a temporary repair wasn't possible at the roadside and made the decision to organise to tow the motorhome to a workshop. It told Mr S workshops were closed until the following Monday and therefore it was unable to check which workshop could repair the motorhome until then. It said it could tow the motorhome to its base and then deliver it to a workshop. It also told him it was unable to organise other services for him for the first 48 hours following the breakdown. As the motorhome was parked in a safe position Mr S stayed in it.

Over the weekend I saw Mr S contacted AmTrust a number of times. On Sunday 18 August 2024 he informed it he had found a local mobile engineer who would be able to complete the repairs, which was an electrical fault, at the roadside. AmTrust said it wasn't able to do this and if he wished to have the repairs completed on the spot by the engineer he had found he must pay himself and claim later. I saw on Monday 19 August 2024 AmTrust agreed Mr S could organise roadside repairs himself and it would cover one hour of roadside labour costs. Mr S said he would call again the following morning to see if AmTrust had an update on its own repairers, and if not he would organise roadside repairs himself.

On the morning of Tuesday 20 August 2024 Mr S called AmTrust and it told him it had found a workshop to complete the repair to the motorhome and it would be towed there. Mr S wasn't happy with this because the workshop was 60 kilometres away from the breakdown and was in the opposite direction of his onward destination. I saw AmTrust told him it had found a solution for his vehicle and if he refused the towing he was refusing the service, and it would end its cover. The offer of him organising roadside repairs himself was no longer available to him.

He was also told on the same day that costs for alternative accommodation and other services would not be covered until the date of his planned return to the UK which he had said was in approximately three weeks and 7 September 2024 was the timescale agreed.

I looked at the terms and conditions of the policy and it says;

"We will pay the call out fees and charges for one hour's roadside labour for a recovery operator to attend the scene of the incident to either:

- Complete a temporary repair to the vehicle, or*
- If in the Recovery Operator's opinion, a temporary repair is not possible, we will arrange and pay the costs of transportation of up to 7 passengers, including the driver, to be recovered to a single destination within 10 miles of the incident.*

If the vehicle cannot be repaired within 48 hours or any other time that we can agree, we will arrange for your vehicle and up to 7 passengers, including the driver to be transported either to your home or your original destination."

I saw AmTrust said it was unreasonable to ask Mr S to find a garage due to language and cultural differences. However In this case Mr S had found a local garage to make the required repair whilst he was waiting for AmTrust to find a repairer. Despite being aware of this, AmTrust insisted Mr S's motorhome was towed to the repairer it had found which was 60 kilometres in the opposite direction of his onward travel, which was outside the terms of the policy by a large distance.

I think it would have been more logical and in the best interests of Mr S for AmTrust to allow him the option at this time to progress with its offer of the previous day of one hour of roadside labour costs as an alternative to being towed 60 kilometres to the workshop it had found. I haven't seen any evidence to explain why the option to cover one hour of roadside labour costs was removed.

I recognise Mr S told AmTrust he was not due to return to the UK for approximately three weeks. However, AmTrust have already accepted it was not clear to him that it had recorded 7 September 2024 as the date he would return to the UK. And that this meant hotels and other services would not be covered until after that date.

It took AmTrust four days to find a workshop to undertake repairs to Mr S's motorhome. During this time he didn't require accommodation as he was able to stay in it. However between 20 August 2024 and 24 August 2024 whilst the motorhome was being repaired, he was unable to stay in it and had to pay for alternative accommodation.

Because I don't think it was reasonable for AmTrust to insist on taking Mr S's motorhome to the workshop 60 kilometres away and also because AmTrust has accepted it didn't set his expectations that his policy didn't cover hotels and other services until 7 September 2024, I intend to uphold this part of his complaint. I intend to require AmTrust to cover costs paid for alternative accommodation when he was unable to stay in his motorhome between 20 August 2024 and 24 August 2024.

Cost of repairs

AmTrust have said it does not control the cost of repairs, however as it was its insistence that Mr S's only option was to take the motorhome to this specific garage, it should take responsibility to ensure that any costs charged by it were fair. Although Mr S has said the costs were huge, I haven't seen any evidence to confirm this.

I think the reasonable outcome is to obtain an alternative quote for the same work from a professional garage and a comparison be made. If this shows a very different higher cost, AmTrust should refund the difference. I do accept charges will vary from one country to the next, but for the purposes of this complaint I think it is acceptable for quotes to be from a garage in the UK.

Mr S is disabled, is of an advanced age and was travelling solo at the time of the breakdown and I recognise this will have been a very difficult and stressful situation for him. Amtrust recorded he was vulnerable when he made his initial breakdown call, but I haven't seen any evidence it considered his situation at any time after he requested assistance.

Therefore, I intend to uphold Mr S's complaint and intend to require AmTrust to;

- Cover the cost of four days accommodation between 20 August 2024 and 24 August 2024.*
- Refund any verified overpayment for the repairs to the motorhome.*
- Pay Mr S £300 compensation for the distress and inconvenience caused due to the overall poor level of service received and misinformation provided.*

Responses to my provisional decision

Mr S responded and said he was happy with my provisional decision. He provided;

- Details of a payment of £360.77 (net of non-sterling transaction fee) paid for the repairs to his motorhome.
- Evidence of a UK quote for the repairs of £241.45. Both parts and labour.
- Evidence of the cost for the part on its own would be approximately £70.
- Justification that the cost for labour was cheaper in the country where the repair took place than in the UK.

AmTrust responded and said it accepted my provisional 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.

In response to the evidence provided by Mr S

I considered the information provided regarding the costs for repairs and I'm persuaded that Mr S was overcharged. Using the evidence provided I saw the cost for the required part was £70, so the majority of the total cost is for labour. Because labour was found to be cheaper in the European country in which the repair took place, this suggests the overall cost for parts and labour would have been less than the estimate of £241.45 for the work to be completed in the UK. I estimate £200 was a more likely and reasonable charge to be made by the garage AmTrust took Mr S to.

I therefore uphold this complaint and in addition to covering the costs of four days accommodation and £300 compensation, I also require AmTrust to refund the difference in what Mr S paid for the repairs (£360.77) and the £200 estimated reasonable cost. This is £160.77.

I provided this information to AmTrust, and it said it was happy to pay £160.77.

My final decision

For the reasons I have given I uphold this complaint.

I require AmTrust Specialty Limited to;

- Cover the cost of four days accommodation between 20 August 2024 and 24 August 2024.
- Refund £160.77 towards the cost of the repairs.
- Pay Mr S £300 compensation for the distress and inconvenience caused due to the poor level of service received.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr S to accept or reject my decision before 22 May 2025.

Sally-Ann Harding
Ombudsman