

## **The complaint**

Mr B complains that First Central Insurance Management Limited mis-sold a hire car policy to him. Mr B says that First Central told him that in the event of a claim it would provide him with a like-for-like hire car but it didn't do that when required.

## **What happened**

Mr B bought a motor policy to insure his car through a comparison website. When doing so he also bought a hire car policy.

In July 2024 Mr B's car was damaged in an accident that wasn't his fault. First Central arranged for his car to be repaired. It also referred him to a hire car company to provide a car while the repairs were ongoing.

Mr B had a number of legitimate concerns with First Central's service during the claim and repair process. He also complained that the hire cars provided were not 'like-for-like'. He said First Central had mis-sold the hire car policy. He brought his complaint about that to the Financial Ombudsman Service. One of our Investigators looked into it. She didn't think that, First Central had mis-sold the hire car policy nor misled him about the type of hire car he would receive. Mr B did not agree so the complaint's been passed to me to determine.

## **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.

Mr B has raised other complaints about First Central's actions, including it leaving him without a courtesy car at times. And we considered those complaints under separate reference numbers. As we've dealt with those complaints elsewhere I will not be commenting on them in this decision. Instead I will focus solely on Mr B's concern that First Central mis-sold a hire car policy.

### *Did First Central mis-sell the hire car policy?*

Mr B believes First Central said that, if he needed a hire car, it would provide one on a like-for-like basis. And as it didn't do so, he thinks it mis-sold his hire car policy.

Mr B bought his motor policy online. When doing so he was presented with a 'pop up' advert offering him "*Enhanced courtesy car (Hire Car cover)*" with links to its policy wording and product information documents. Mr B opted to buy this hire car policy. However, this policy did not, as Mr B believes, guarantee him a like-for-like car as the one insured on his motor policy. In fact the policy says it will provide:

*"A group A (ABI group S1/S2) vehicle provided (e.g. 1.0 litre car) within the geographical limits."*

And this information is clearly repeated in the product summary document.

So the policy information is clear that, where the terms of the claim are met, First Central will not provide a car on a like-for like basis but will instead provide a group A 1.0 litre engine car. And it doesn't otherwise specify what sort of car that would be, nor does it at any point indicate the car will be the same as the car Mr B insured under his motor policy.

I'll add that First Central doesn't underwrite the hire car policy itself. That cover is offered by another insurer, which is an entirely different business. And First Central sold the policy to Mr B on what's known as a *non-advised* basis. That means it didn't make a recommendation or say that the policy was suitable for him.

And as First Central sold the policy on a non-advised basis it was not under any obligation to ensure the policy was suitable for Mr B's needs. Instead it was required to give him information that was clear, fair and not misleading. I think it did that. It was then up to Mr B to decide whether or not he wanted to buy the policy on the basis of the information it gave him. It follows that I don't think First Central did anything wrong when it sold Mr B the hire car policy.

*Did First Central provide misleading information about the provision of a hire car?*

Mr B said that when he spoke with First Central on 14 July 2024 it told him it would arrange for a like-for-like hire car to be provided. First Central has no record of a conversation with Mr B on 14 July 2024 but it did speak with him on 11 July 2024 when it took the details of his claim.

During that call Mr B asked what sort of courtesy car he would be provided with while repairs were ongoing. He mentioned a previous claim where only a small car was provided which wasn't suitable for him. First Central told him that, as the accident wasn't his fault, it would refer him to a hire car company to provide a car. This wouldn't be provided under the terms of his policy but instead would be provided on what's called a 'credit hire' basis, where the costs for it could be recovered from the third party's insurer.

First Central explained that the car provided would be one of the same vehicle group, which it described as being a similar vehicle, similar size and similar engine size. But it explicitly said that it would *not* be a like-for-like car, and that it couldn't guarantee it would be from the same manufacturer as Mr B's car, nor that it would undoubtedly be an automatic transmission. Mr B said he didn't care whether or not it was the same manufacturer as long as it was big enough.

And having listened to the above call I'm satisfied that First Central did not tell Mr B that it would provide him with a like-for-like hire car.

### **My final decision**

For the reasons given above I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr B to accept or reject my decision before 20 June 2025.

Joe Scott  
**Ombudsman**