

The complaint

Mrs D is unhappy with the decision made by RAC Insurance Limited (RAC) following a claim made under her breakdown insurance policy.

What happened

Mrs D purchased breakdown cover with RAC. The terms and conditions explained:

If your vehicle breaks down in Europe and can't be repaired before you plan to return home, you have a couple of different options. You can also choose one of these options if you're on Comprehensive Plus and repairing your vehicle will cost more than £500.

Option one: Sending your vehicle back to the UK

- We'll arrange and pay for recovery of the vehicle to a single UK destination of your choice. If you have Comprehensive cover, the amount we'll pay is limited to the market value of your vehicle.*
- We'll also arrange and pay for storage of your vehicle while it's waiting to be returned.*

Option two: Leaving your vehicle in Europe to be repaired and returning to collect it.

- If the vehicle can be repaired in Europe, we'll cover up to £600 for someone to return and collect your vehicle when ready. This could be by standard-class rail, air fare, or public transport, and includes £50 per day for accommodation.*

In December 2024 Mrs D's car broke down whilst on holiday in Germany. She contacted RAC to make a claim. Following a call with Mr G, repairs to Mrs G's car went ahead. RAC subsequently told Mrs G that as her car had been repaired it wouldn't be able to offer the option to repatriate her car back to England.

Mrs D wasn't happy with this response, and referred her complaint to the Financial Ombudsman Service. Our Investigator found that RAC had acted fairly and reasonably, and didn't recommend it take any steps to put things right. Mrs D disagreed with the Investigator's view. As the complaint couldn't be resolved, it has been passed to me for 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.

The Investigator provided a detailed breakdown of Mrs D's concerns and our approach. I agree with the Investigator's findings and outcome for the same reasons. I've focused my

final decision on the crux of Mrs D's complaint concerning RAC's decision to decline to repatriate Mrs D's car after it was repaired by a garage in Germany.

I'd like to reassure the parties that although I've only summarised the background to this complaint, so not everything that has happened or been argued is set out above, I've read and considered everything that has been provided.

Mrs D says that she had made it clear in previous calls that she wanted the car to be repatriated and so this ought to have taken precedence over any authorisation received by RAC from Mr D. I've carefully considered Mrs D's comments. But I don't think RAC needs to do more to put things right. I'll explain why.

There's no call recording of the call Mr D had with the garage. So, there's no way of knowing definitively what Mr D was told, and on what basis he agreed to repairs being carried out. What's not disputed is that Mr D understood repairs would be carried out. Mrs D feels strongly that Mr D only agreed to repairs being carried out because he was told that agreeing to repairs would facilitate the car being repatriated home.

I'm persuaded RAC provided cover to Mrs D in line with what the policy offers. I recognise what Mrs D has said about her preference for the car to be repatriated home. But I haven't seen any evidence to support RAC acted unreasonably by repairing Mrs D's car, and offering the option to cover the cost of someone arranging to have the car collected. This is in line with what the policy says could happen in the event of a claim. Mrs D has confirmed the cost of arranging to collect her car has been reimbursed alongside any associated expenses. I'm satisfied RAC has acted in line with the policy terms, and what we'd expect when settling the claim.

I recognise what Mrs D has said about the additional stress and inconvenience caused as a result of not having the option to have her car repatriated. But I haven't seen any evidence to persuade me that RAC's actions have been wrong, or outside of the policy terms. So, I won't be asking RAC to take any further action in response to this complaint.

My final decision

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs D to accept or reject my decision before 16 December 2025.

Neeta Karelia
Ombudsman