

The complaint

Mr G complains that RAC Insurance Limited (“RAC”) mishandled a claim on a breakdown insurance policy.

What happened

In about 1999 a specialist sports car-maker made a sports car.

In about 2016, Mr G acquired that car.

For the year from early September 2024, Mr G had an RAC breakdown policy that covered the car including in continental Europe.

Unfortunately on 19 September 2024, the car broke down in continental Europe.

RAC arranged collection of the car. On about 20 September 2024, a garage said the car had a failed water pump.

On about 23 September 2024, Mr G returned to the UK without the car.

By mid- October 2024, the car was still in the European country where it had broken down.

Mr G complained to RAC including about poor conditions of storage and delay in repatriating the car to the UK. He also complained about failure to offer a hire vehicle or to reimburse costs including transport and accommodation.

By 22 October 2024, the car was back in the UK.

RAC returned the car to Mr G on 25 October 2024. Mr G complained to RAC that someone had started the engine and driven the car, resulting in possible engine damage. He also complained to RAC about damage to bodywork and a wheel.

By a final response dated 6 December 2024, RAC turned down the complaint. However, RAC offered to consider any report about engine damage.

Mr G brought his complaint to us in late April 2025. He added a complaint about the inadequacy of information about the costs of returning a vehicle from Europe and the financial limits of the policy.

Our (first) investigator didn't recommend (on 9 October 2025) that the complaint should be upheld.

Our second investigator said that Mr G hadn't complained to RAC about Information on costs or the financial limits, so we couldn't consider such a complaint.

Our second investigator didn't recommend (on 25 October 2025) that the complaint should be upheld. She didn't think that RAC had caused damage during the period of repatriation.

Mr G disagreed with the investigators' opinions. He asked for an ombudsman to review the complaint. He says, in summary, that:

- His was a specialist vehicle.
- In about 2024, a specialist bodyshop restored the car's bodywork.
- Detailers later put it in concourse condition.
- When RAC collected the car, it was clean.
- Close-up video and photographs show that it had no damage to the bodywork or wheels.
- RAC or its agents stored the car in an environment in which it became dirty.
- RAC or its agents damaged the car.
- A photograph shows that RAC or its agents placed a magnetic numbered cone on the very dirty surface of the roof. This caused scratching. The roof is also dented.

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.

Scope of this decision

The Financial Conduct Authority's dispute resolution rules are binding on the Financial Ombudsman Service. One such rule is that, before we can investigate a consumer's complaint, the consumer must first have made that complaint to the regulated firm and waited for up to eight weeks for a final response.

It sometimes happens that a consumer makes a complaint to the firm, receives a final response and brings the complaint to us – with additional points of complaint. In such circumstances we can investigate the initial complaint, but we can't deal with the additional points of complaint in the same investigation.

After the final response in December 2024, Mr M made a further complaint in April 2025 about the inadequacy of information about the costs of returning a vehicle from Europe and the financial limits of the policy. I consider that our investigator was correct not to investigate that complaint. I don't include it in the scope of this decision.

This decision

The Insurance Product Information Document included the following:

“European Breakdown is limited to journeys up to 90 days for any one trip (with an overall limit of £2,500 per claim).”

At the time of the breakdown, the water pump had failed.

From the photographs and video, I accept that on 19 September 2024, the car was clean and its bodywork and road wheels were in generally good condition. However I can't find from the photographs and video that there was no damage to the bodywork or one of the wheels.

I accept that on about 20 September 2024, RAC was responsible for incorrect information about the location of the car. However, it quickly corrected that information.

I accept that RAC didn't provide a hire car or pay for alternative transport for Mr G and his partner including his return to the UK. However, from RAC's file, I accept that its costs of the repatriation of the car exceeded £2,500.00. As that was the policy limit for a claim, I don't find it fair and reasonable to direct RAC to reimburse any further costs such as alternative transport.

I accept that Mr G would've preferred RAC to arrange storage of his car indoors and with a dust cover. However, I don't consider that it was obliged to do so. And I'm not persuaded that RAC or its agents stored the car in conditions that fell below a reasonable standard.

From the photographs, I accept that on 22 October 2024, the car was dusty and its bodywork and wheels were in generally good condition. However I can't find from the photographs that there was no damage to the bodywork and one of the wheels.

From what RAC and its transport company said, when the car reached the UK, a driver started the engine to drive it onto a recovery vehicle.

I haven't seen enough evidence to show that RAC was responsible for avoidable or unreasonable delay before 25 October 2024.

I can understand that Mr G was annoyed that someone had stered the car. However, I find it more likely that the failure of the water pump had caused any damage to the engine block.

Without enough engineering evidence, I don't consider that it was reasonable for Mr G to suggest to RAC that its actions had caused damage to the engine block or (as he said in his complaint form in April 2025):

"I also forwarded images of damage to the engine block once the waterpump was removed for replacement due to the extended running of the engine during the responsibility of the RAC"

I'm sorry to say that I consider that Mr G's unevidenced claim about damage to the engine block has damaged his credibility on his claims that RAC was responsible for other damage.

From the close-up photographs, I accept that on about 25 October 2024, the car had damage including scratches to the roof, side skirt and door as well as a mark to a wheel rim. However, I'm not persuaded that the magnetic cone had damaged the roof. And I conclude that Mr G has fallen short of providing enough evidence to show that RAC (including its agents) was responsible for causing any damage to the car.

So I don't find it fair and reasonable to direct RAC to compensate Mr G for the estimated costs of repair, or to pay him compensation for distress and inconvenience.

My final decision

For the reasons I've explained, my final decision is that I don't uphold this complaint. I don't direct RAC Insurance Limited to do any more in response to this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr G to accept or reject my decision before 6 February 2026.

Christopher Gilbert

Ombudsman