



<b><u>Decision Ref:</u></b>	2020-0364
<b><u>Sector:</u></b>	Insurance
<b><u>Product / Service:</u></b>	Car
<b><u>Conduct(s) complained of:</u></b>	Dissatisfaction with customer service Communication
<b><u>Outcome:</u></b>	Upheld

**LEGALLY BINDING DECISION OF THE FINANCIAL SERVICES AND PENSIONS OMBUDSMAN**

**Background**

The Complainants' vehicle broke down whilst towing a caravan, on holiday abroad. The First Complainant contacted the Provider and raised a claim under a policy of insurance they held with it. The Complainants complaint is that the Provider failed to adequately assist them and that lack of communication on the part of the Provider resulted in their having to make their own arrangements to return home, causing them considerable stress and inconvenience.

**The Complainants' Case**

Whilst on a family holiday abroad, the Complainants' car which was towing a caravan broke down. The First Complainant submits that he contacted the Provider on **01 August 2016** and was initially offered a hire car for 24 hours to get him and his family to their destination. He submits that as they were not provided with an option to tow the caravan, which they needed as well, this was declined.

They left the broken down vehicle at a garage. They were initially in contact with the Provider regarding its repair for return home. The Complainant submits that the last communication with the Provider whilst they were abroad was on **14 August 2016** and after that despite multiple attempts to contact it, received no response.

The Complainants submit that they suffered significant inconvenience as a result of the Provider's failure to assist them and that during their holiday, they themselves had to

make arrangements to get to their destination as well as alternative travel arrangements to return home. The Complainants were refunded the expenses which they incurred by the Provider but declined the Provider's offer of compensation of €250, as being inadequate.

### **The Provider's Case**

The Provider, having conducted its investigation into the Complainants' complaint, issued its Final Response Letter on **23 September 2016**.

It acknowledged that the customer service received was below its standard of quality and that there were no attempts to make contact between **15 August** and **27 August 2016**, "*due to a number of administrative errors*". It noted that the Complainants had made alternative travel arrangements to return home, which had caused considerable trouble and upset.

The Provider confirmed that the Complainants' out of pocket expenses had been approved and processed in the amount of €1,142.79 and noted that the offer of a compensatory payment of €250.00 had been declined.

### **The Complaint for Adjudication**

The Complainants' complaint is that they received unsatisfactory assistance from the Provider under their policy of insurance, after their vehicle broke down whilst on holidays abroad.

### **Decision**

During the investigation of this complaint by this Office, the Provider was requested to supply its written response to the complaint and to supply all relevant documents and information. The Provider responded in writing to the complaint and supplied a number of items in evidence. The Complainants were given the opportunity to see the Provider's response and the evidence supplied by the Provider. A full exchange of documentation and evidence took place between the parties.

In arriving at my Legally Binding Decision I have carefully considered the evidence and submissions put forward by the parties to the complaint.

Having reviewed and considered the submissions made by the parties to this complaint, I am satisfied that the submissions and evidence furnished did not disclose a conflict of fact such as would require the holding of an Oral Hearing to resolve any such conflict. I am also satisfied that the submissions and evidence furnished were sufficient to enable a Legally Binding Decision to be made in this complaint without the necessity for holding an Oral Hearing.

A Preliminary Decision was issued to the parties on **25 September 2020**, outlining the preliminary determination of this office in relation to the complaint. The parties were advised on that date, that certain limited submissions could then be made within a period

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of 15 working days, and in the absence of such submissions from either or both of the parties, within that period, a Legally Binding Decision would be issued to the parties, on the same terms as the Preliminary Decision, in order to conclude the matter.

In the absence of additional substantive submissions from the parties, within the period permitted, the final determination of this office is set out below.

I note that the documentation furnished to this Office by the Provider, in response to the formal investigation of this complaint, related to a different motor vehicle policy, also held by the First Complainant with the Provider (Policy -776). This occurred in circumstances where Policy -776 had been identified by the Complainants, as being the relevant policy pertaining to the complaint.

The Provider, however, subsequently confirmed that that the claim made by the Complainants, which is the subject of this complaint, was made under a joint policy of insurance (Policy -2153) entered into by the First Complainant and his wife, the Second Complainant. (It appears that this policy was entered into on **25 July 2016** and provided "European" cover.) When subsequently asked by this Office to provide documentation and information relating to Policy -2153, the Provider responded that it was not in a position to do so, at that time.

The Complainants' complaint concerns the poor service they submit that they received from the Provider, whilst on holidays abroad and in particular the level of compensation offered by the Provider in this regard. Having conducted its internal investigation into the matter, I note that the Provider upheld the complaint submitted to it by the First Complainant, acknowledging that the Complainants had not received a satisfactory level of service from its agents and that the level of communication and updates had been insufficient. I note that the Provider reimbursed to the First Complainant the sum of €1,142.79 to reflect the costs incurred by the Complainants and also offered compensation of €250 for the stress and inconvenience caused.

#### Chronology of events

I note the following sequence of events, as recorded within the Provider's internal records, from **03 August 2016**.

##### **03 Aug 2016 14.31**

Very frustrated been passed from one Agent to another etc  
Bought policy in [Provider] shop in [location], but doesn't have pol no with him  
Been taken off motorway and gge c/f gears gone  
Please call back asap, gave him job no and breakdown no  
Friend is coming to collect them to take them to [location] but asking re hire  
Car, accommodation on route etc  
He said he originally called shop in [location] who c/f his cover in place  
But couldn't give me their tel no.....

##### **03 Aug 2016 14.20**

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Called [location] was adv that the customer is covered pol is under wife name pol ref [2153]. Explained customer entitlements for the h/c either is a 24 h/c to get to his f/d or fir the duration of repairs once we have the ct/di. Customer would like a call back shortly

**03 Aug 2016 15.53**

I called the customer regarding his decision: he prefers to wait for the CDTI and its costs.

I called garage [name] on [phone number], the agent informed me that she needs to do some research to find the right gearbox.

To make the research easier for the agent, she would like to have the year of the vehicle + its chassis number sent to: [email address]. The agent also informed me that if she finds the part the car could be ready by the middle of next week.

**03 Aug 2016 15.56**

I called [location] [agent name] informed me that the car was manufactured in 2008.

**03 Aug 2016 16.09**

The customer's final destination is: [location]

**03 Aug 2016 16.09**

An email has been sent to the garage with the details communicated by [Provider] to the garage.

**03 Aug 2016 16.11**

Diary Action: Due to Do

Call centre [name] on [number] to find out thy have found a gearbox for the customer's car.

**04 Aug 2016 08.27**

Job still showing on deployment

Cancelled ss for tow as vhl already at garage

**05 Aug 2016 12.01**

Cust called for an update, adv due to be chased and we will call him back asap

**05 Aug 2016 12.54**

Cannot action DA as [language] speaker still due to contact gge as per DA

**05 Aug 2016 14.05**

Diary Action: Completed

Please inform the customer of the above

**05 Aug 2016 15.06**

Cm called chasing costings for repair asked if we could ring this afternoon has his phone on him

**05 Aug 2016 15.25**

/Cont'd...

Called the garage and made a conference call with the cust and [name] from the gge  
1) they will have an estimate for nboth 2<sup>nd</sup> hand part and new part for cust on thursday the 11/08

2) cust's hap is 27/08 so can be ready by then but no guarantee as will know more once she speaks with her suppliers

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Cust ok to wait till gthen  
da set

**12 Aug 2016 15.06**

Called [garage] on [number], I was advised the [car] dealer actually does not replace gear boes but they repair them so it will now take more time to get an estimate of repairs – gge closed this week + Monday as bank holiday Monday so advd I would call back on Tuesday

**12 Aug 2016 15.06**

Diary Action: Completed

Call [garage] on [number] to find out if they have the estimate of repairs + forward it to customer

**12 Aug 2016 15.06**

Diary Action: Due to Do

Please call the customer and advise that the garage cannot provide with a quote for repairs yet as the manufacturer does not replace gear box but they repair them

**12 Aug 2016 15.10**

Diary Action: Due to Do

Please call [garage name] on [number] and get estimate of repairs and update cust please

**14 Aug 2016 14.59**

Called cust advised as per above, will call gge on Tuesday for cost of repair.  
cust advised what will be his option if they cannot give cost of repair or repair his vhl on time, as HAP is the 28/08

advised if vhl is not ready we will org service to take them home.

cust advised once vhl ready how will he get to gge,

advised will org service depend on the distance. either h/c or taxis  
whatever transport available.

cust ask if he decide not to repair as too expensive, advised we can help him scrap the vhl.

cusy undersatnd.

**14 Aug 2016 15.01**

Diary Action: Completed

please call the customer and advise that the garage cannot provide with a quote for repairs yet as the manufacturer does not replace gear box but they repair them

/Cont'd...

**18 Aug 2016 12.07**

d/a moved to 13.00 as lunch time in [location] now

**19 Aug 2016 12.49**

Done a quick repat review

3.409

Sent email to cmg for repat quote

**19 Aug 2016 15.23**

Called [garage] [number] was adv that the cost of repairs may be more than 1000euros. Sent email to cmg for repat quote

**19 Aug 2016 15.32**

Called cmg the cost of repat is 2100 sent email to ukurgent

**19 Aug 2016 15.34**

Diary Action: Completed

please call [garage] on [number] and get estimate of repairs and update cust please

**20 Aug 2016 12.57**

Ukurg – Need to chase on Monday 22/8 a more precise cost of repairs as the final cost may exceed vhl's value.

Also have to confirm with gge that vhl cannot be fixed by cust's HAP

**24 Aug 2016 18.07**

Messgae from FO: we called the garage the car is still there. Storage fees since 01/08 = 9.5 ettc/day.

There were supposed to deliver the in [vehicle make] dealer but they heard nothing from you. The cost was ettc.

Asked ops to ask the garage where the vehicle is now is they could give us an estimate on repair costs.

**24 Aug 2016 18.10**

Diary Action: Completed

Any update from fo regarding cost of repairs

**25 Aug 2016 15.07**

Fo says the op cannot give any idea of cost and better for vhc go to [dealer] gge.

**25 Aug 2016 15.08**

Cust due home in 3 days

**25 Aug 2016 15.10**

Looked in beep beep and this 2008 [vehicle model] is worth in Eire 8133 eros average.

**25 Aug 2016 15.19**

/Cont'd...

Or, can a [language] speaker get the cost of a [vehicle type] gearbox or get it moved asap!

Sent for urgent review.

**26 Aug 2016 13.15**

I called CMG to ask how much it will cost to repat the vhl from garage to customer address, they advised 2,300 + vat

**26 Aug 2016 13.21**

I called the garage in regards to cost of repairs, they have advised they cannot give us any cost as the can't even repair it at all. Vehl needs to be repat

**27 Aug 2016 11.05**

UKurg – vhl was not taken to the dealership. Will not auth repat just yet.

Requested repat quote from [company] as they do repat to Ireland

If cust willing to extend stay then we could tow vhl to [vehicle type] dealership providing that they can accept the vhl

As per wisebuyers vhl's value is 4,110

**27 Aug 2016 11.06**

Diary Action: Due to Do

Discuss vhl fate, are they going back to the UK today?

Do they want to want vhl towed to dealership and extend their stay?

If not then we will go ahead with repat

**27 Aug 2016 12.12**

Tried calling customer line rings out and theres vm facility, only text message facility if you hang up.

Rest da

**27 Aug 2016 12.14**

Diary Action: Completed

Discuss vhl fate, are they going back to the UK today?

Do they want to want vhl towed to dealership and extend their stay?

If not then we will go ahead with repat

**28 Aug 2016 13.33**

Called customer, unable to leave message but customer's phone will send them text advising they missed call. Reset DA

**28 Aug 2016 16.08**

Called cust again to find out

1) whether he wants his vhl towed to dealership

2) whether he can extend his stay

Was not able to speak to him as the phone line is shaky.

**29 Aug 2016 08.44**

Diary Action: Completed

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Discuss vhl fate, are they going back to the UK today?

Do they want vhl towed to dealership and extend their stay? If not then we will go ahead with repat

**01 Sep 2016 09.35**

Cust called back after missing a call from ourselves, I looked on the notes and saw we were chasing for a decision on cust as to what to do with his veh and also if he was coming back to Ireland today. cust got very frustrated with me as he's already in Ireland and he's expecting call from managers in regards to complaint. I have seen the complaint on the system. Manager tried to contact cust but couldn't get through and no v/m possible.

Emailing managers urgently as the cust has a very urgent complaint to make, he was left in [location] without assistance.

**02 Sep 2016 09.28**

Cust called to find out who called him, and I said that none of us had.

He has a missed call on his phone from us.

I said that I have no notes with regards to this on the system.

I adv him that complaints will give him a ring within the next 4-5 days.

**02 Sep 2016 10.42**

Price is 2000+vat

Collection will be within 2 weeks of receiving the order.

**02 Sep 2016 16.39**

Cust called back to discuss complaint as not happy with lack of contact he had received.

Waited for onward assistance to get home, as we did not arrange this, or communicate to him we were.

First phone call he had received was when he got on the ferry.

Then again one off the ferry.

Feels he did not receive the service paid for, not interested in the compensation we can offer. Wants an explanation as to why this happened and questioning whether he should keep the car insurance he has with [Provider].

**02 Sep 2016 17.01**

Explained to the customer I agree that he should have been contacted more regularly and he should have been explained that this will be fed back and all feedback we receive good or bad is taken in board.

Advised customer we can reimburse the cost of the journey home and other expenses he incurred that we failed to organise.

Advised complaint now with CRT and happy with this and my call.

Will post and email reimbursement form.

**02 Sep 2016 17.23**

Will feed back to agents regarding lack of contact.

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**08 Sep 2016 08.34**

Claim form received

**12 Sep 2016 15.09**

Complaint passed to crt – passed to [name] to pay as over my limit 352.26 towing fees, car hire 371.70, taxi from garage to rental car 82.62 and flight 158.46 all agreed by [name] in claims.

**13 Sep 206 10.27**

Processing reimbursement for customer I have spoken to [name] in [location], and I will process this, as customer will get a cheque as requested and I will record this on reimbursement ss – processing total amount of 1142.79 in total.

An “*expenses form*” with supporting documentation was submitted to the Provider by the First Complainant dated **03 September 2016**, in which he listed the following description of expenses:

<i>Towing</i>	<i>€415.67</i>
<i>Hertz Rental Car</i>	<i>€442.33</i>
<i>Taxi from garage to rental car</i>	<i>€87.80</i>
<i>Emotional Stress to family</i>	<i>Priceless</i>
<i>Time spent organising return with caravan</i>	<i>Priceless</i>
<i>Support from [Provider]</i>	<i>Zero</i>
<i>Flight for wife to return home due to stress</i>	<i>€186.99</i>
<i>Total</i>	<i>€1142.79</i>

**Analysis**

From its internal “claim notes”, furnished by the Provider, and set out above, it engaged in some contact with the First Complainant between **03 August** and **14 August 2016**.

It appears from a note of **05 August**, that the reference therein to “*cust’s hap is 27/08*” is a reference to the Complainants’ due departure date. This appears to demonstrate that the Provider was aware of and had noted this departure date, from early August.

After speaking with the First Complainant on **14 August**, “*HAP is the 28/08*” was noted. The Complainant was advised, among other things, at this time that if it was not possible to have his vehicle repaired on time and by this date, the Provider would organise a service to take them home.

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However, after that date, although the Provider was in contact with third parties and making enquiries about repairs and the cost of repairs, it did not update the Complainants in this regard. I note that by **25 August 2016** the Provider was still not at an advanced stage of resolution of the matter and was still seeking confirmation of the costs of repair, whilst simultaneously noting that *"Cust due home in 3 days"*.

I note that as no arrangements had been finalised by the Provider regarding repair or repatriation by **27 Aug 2016**, an internal note queries, *"Do they want to want vhl towed to dealership and extend their stay? If not then we will go ahead with repat"*, whilst notes of **27** and **28 August** identifies that the Provider had attempted to phone the First Complainant in this regard.

The First Complainant has submitted that he was already on a ferry at this point. A further note of the Provider of this date states, *"Called cust again to find out...whether he wants his vehl towed to dealership...whether he can extend his stay...Was not able to speak to him as the phone line is shaky."*

As it had been previously recorded by the Provider that the Complainants were due to depart for home, on 27/28 August and indeed it had been noted by it, on 25 August, that they were due to leave in three days' time, the fact that the Provider was only attempting to make contact on 27/28 August, to enquire of the Complainants whether they wished to have their vehicle towed to dealership and extend their stay or, is certainly unsatisfactory in terms of service. The Complainants had, by this point, made their own arrangements to return home.

The Provider had quite significantly failed to provide the assistance required of it and to communicate effectively with the Complainants. I find it somewhat surprising however, that the Complainants do not themselves appear to have followed up with the Provider, after 15 August.

I note the Complainant's submission, within their complaint form, that

*"it took [the Provider] 13 days to return a phone call regarding are [sic] brokedown vehicle in [location]. 13 days we waited to see what are [sic] Insurance Provider would deliver to this customer. Well I received nothing no service no care for 13 days."*

Whilst it does not negate the responsibility of the Provider to have provided a suitable level of service, as a matter of practicality, I consider that the matter might have been more significantly advanced, if the Complainants had followed up with the Provider in this regard.

Overall, I am however satisfied that the acts and omissions of the Provider, identified above, represent a significant lapse in the level of customer service which the Complainant's were entitled to expect of the Provider. Whilst the Provider has previously offered the amount of €250.00 to the Complainants by way of compensation for its conduct, I am satisfied, taking into account the significant level of inconvenience sustained by the Complainants as a result of the conduct complained of, that the sum of €500.00

is more appropriate. Accordingly to conclude, I direct that the Respondent Provider make payment to the Complainants in the amount of €500.00 (to include the figure of €250 already offered).

### **Conclusion**

- My Decision pursuant to **Section 60(1)** of the **Financial Services and Pensions Ombudsman Act 2017**, is that this complaint is upheld, on the grounds prescribed in **Section 60(2)(b)**.
- Pursuant to **Section 60(4) and Section 60 (6)** of the **Financial Services and Pensions Ombudsman Act 2017**, I direct the Respondent Provider to make a compensatory payment to the Complainants in the sum of €500.00, to an account of the Complainants' choosing, within a period of 35 days of the nomination of account details by the Complainants to the Provider. I also direct that interest is to be paid by the Provider on the said compensatory payment, at the rate referred to in **Section 22** of the **Courts Act 1981**, if the amount is not paid to the said account, within that period.
- The Provider is also required to comply with **Section 60(8)(b)** of the **Financial Services and Pensions Ombudsman Act 2017**.

**The above Decision is legally binding on the parties, subject only to an appeal to the High Court not later than 35 days after the date of notification of this Decision.**



**MARYROSE MCGOVERN  
DEPUTY FINANCIAL SERVICES AND PENSIONS OMBUDSMAN**

19 October 2020

Pursuant to **Section 62** of the **Financial Services and Pensions Ombudsman Act 2017**, the Financial Services and Pensions Ombudsman will publish legally binding decisions in relation to complaints concerning financial service providers in such a manner that—

(a) ensures that—

- (i) a complainant shall not be identified by name, address or otherwise,
  - (ii) a provider shall not be identified by name or address,
- and

(b) ensures compliance with the Data Protection Regulation and the Data Protection Act 2018.