

The complaint

Mr A is unhappy with how Bastion Insurance Company Limited handled a claim he made under his motor breakdown insurance.

Bastion are the insurer for Mr A's policy and while their agents have handled the claim on Bastion's behalf, for ease, I have referred only to Bastion throughout this decision.

What happened

Mr A's car broke down on 6 March 2021 at around 6.45pm and he shortly after called Bastion to make a claim.

Mr A recorded the call. In the call Bastion explained Mr A's options to him as, *'...a roadside assistance so someone coming out to your location and try to assist you and fix the vehicle there or someone will take your vehicle to a local garage or back to your home address...'* Bastion then asked which option Mr A would prefer.

Mr A replied to ask what would happen if the car could not be fixed at the roadside and Bastion explained no further assistance would be provided. In light of this Mr A opted to be collected and taken home.

Bastion established where Mr A had broken down and told him they would cover the cost for the first 13 miles, but Mr A would have to pay for the remaining miles of the journey. Bastion confirmed payment for the additional mileage would need to be made directly to the operative.

Bastion told Mr A the claim was approved and that an estimated waiting time would be 60-90 minutes, but they'd update Mr A when they had more information from their contractors. The operative arrived with Mr A around 10pm.

Mr A paid £70.20 to the operative. Bastion have more recently told us they paid £69.60 towards the claim. They also told us they've taken no payment from Mr A except £0.01 when Mr A arranged the policy which he purchased with the use of a voucher.

Mr A and his representative complained as they didn't think Bastion had been helpful. They said Bastion had been obstructive when asking Mr A to provide proof of being an essential worker before accepting the claim, and they didn't think Mr A should have paid anything towards the additional mileage. Mr A said the delay in the recovery caused him to miss a shift at work which meant he lost £120 pay. Mr A and his representative also requested £30 towards their call costs to deal with the matter and Mr A said that paying for the additional mileage had caused him to incur a bank charge of £25 which he was able to later rescind with his bank.

Mr A and his representative declined Bastion's goodwill offer of £70 as they didn't feel this was enough. Bastion said Mr A and his representative were seeking £300 in compensation which Bastion did not agree to. Bastion maintained they'd applied the policy terms correctly. Unable to resolve matters with Bastion, Mr A brought his complaint to our service.

Our investigator upheld Mr A's complaint as they didn't think at the time of the incident Bastion properly explained Mr A's options to him and it seemed Mr A was entitled to National Recovery under his policy which had no mileage limitations. They said Bastion should therefore pay Mr A the sum of £70.20 (with interest). And they said Bastion should cover £20 towards the cost of calls as well as £100 for the inconvenience the matter had caused Mr A. But they did not think Bastion should pay for Mr A's loss of earnings due to missing his shift as they didn't think it fair to hold Bastion accountable for this. The investigator also noted Mr A had arranged for removal of the £25 bank charge (so there was nothing to put right here) and they let Mr A know that while perhaps Bastion went further than needed in terms of their checks, at the time, it wasn't unreasonable for Bastion to query if Mr A was an essential worker.

Bastion requested a copy of the invoice for the operative's charge of £70.20 and evidence of the cost of the phone calls Mr A made. Bastion also said the terms allowed for Mr A's car to be taken to a local garage at that time and several were still open in the area.

When asked, Mr A was unable to provide a copy of the invoice for the payment to the operative and explained the operative had refused to come out until he'd made the payment over the phone. Mr A was also unable to provide details of the phone calls as he has a pay-as-you-go phone so he has no itemised records. Bastion was informed of this and they asked for details of Mr A's phone provider to consider the costs – this information was shared with them, but Bastion made no further comment on the call costs.

Bastion also queried the phone call recording – as they did not have their own recording of the call. An extract of the call was shared with Bastion who then challenged its veracity. Our investigator explained what had been shared was relevant to the case.

Our service didn't feel Bastion's submissions were enough to alter the view of the complaint and asked Bastion to let us know their position on the case in light of the information more recently shared. Despite reminders, Bastion did not provide any further submissions and as a resolution could not be reached between the parties the case came to me to decide.

Following an initial review I set out my initial thoughts to both parties and requested their comments.

My initial thoughts

I explained I had listened to the call recording provided by Mr A (which I had no reason to doubt) and noted the Bastion staff member presented three options to Mr A (as I described earlier). I said it seemed clear Mr A did not wish to take the chance of the car not being fixed at the roadside and the option of being taken to a local garage had not been properly explained in the call. So I didn't think it wasn't unreasonable to see why Mr A had opted to be taken home.

I noted Mr A had Gold cover which provided Local Recovery and National Recovery services and the policy wording suggested that Local Recovery was applicable between 8am and 4pm when a customer would be taken to a local garage within a particular radius of the breakdown. I noted Bastion's comments there were local garages open later than 4pm, but I said this hadn't been properly explored as an option with Mr A, and he had broken down and called Bastion around 6.45pm, which was outside the Local Recovery hours described above.

I said it appeared Bastion had applied Local Recovery mileage limitations to a National Recovery service (to take Mr A home) and noted that Bastion had not clarified why 13 miles

was selected - I could only assume it related to the 25 miles roundtrip limitation under the Local Recovery terms.

I noted that neither Bastion nor Mr A were able to say exactly what the £70.20 Mr A paid was for. And it hadn't been clear to me what Bastion had paid for towards the claim. Furthermore, neither Bastion nor Mr A provided a reason for the breakdown – i.e. what was wrong with the car.

As I did not believe Mr A's options had been properly explained to him, and in the absence of any other evidence, I said I was minded to say Bastion should pay Mr A £70.20 for the additional mileage costs as National Recovery terms applied in these circumstances and there was no mileage limitation under this section of the cover. I said 8% simple interest (per annum) should be applied to this sum from the date Mr A made the payment to the date Bastion settle the sum.

I explained as this was Mr A's complaint, only Mr A's call costs could be considered. I thought it reasonable that Mr A would have had to call Bastion when he broke down, so this wasn't something Bastion should be responsible for paying. And while I considered the submissions about other call costs, I had not seen enough to say Bastion should pay for any calls Mr A made.

I accepted at face value that Mr A had incurred a bank charge due to paying for the additional mileage because he had managed to resolve this himself and was not seeking the £25 as part of his compensation.

I considered the £100 our investigator proposed to recognise the inconvenience of the matter to Mr A, but I didn't think this was fair in the circumstances. I therefore proposed £50 to acknowledge the additional inconvenience Mr A had incurred to sort out matters with his bank.

Responses

Bastion replied and said they would be prepared to pay £70.20 (with no mention of the interest proposed), but they felt £25 better reflected any inconvenience Mr A incurred to sort out the charge with his bank as this was likely to have taken one phone call. Bastion also confirmed the sum of £69.60 they had paid towards the claim, but didn't break down what this represented.

Mr A's representative replied to give further comments to say they agreed with my initial thoughts about the complaint. Mr A and his representative did not provide any further evidence or information about what the £70.20 reflected, the reason the car had broken down or anything more about the cost of calls.

Following a review of the additional comments, Bastion's offer was put to Mr A and Mr A was also asked if he had any more detail or evidence about what had happened to resolve his bank charge.

Mr A did not accept Bastion's offer. He said the £70.20 was his money they were not giving back to him and they had charged him illegally. Mr A felt the £25 offered for the stress and hassle was not acceptable. Mr A did not provide any more submissions or evidence about what he had needed to do to sort out his bank charge.

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.

Having done so, for the reasons above I think Bastion could have better handled the claim when Mr A first called them. So I now need to decide how Bastion should put things right for Mr A. To decide this is not an exact science, but our general approach is to put someone back in the position they would have been in, as far as is reasonably possible, based on the available evidence and what is fair and reasonable in the circumstances. I would note at this point, that I'm mindful it is not now possible to know with any certainty whether Mr A would have opted to go to a local garage or not if this had been clearly explained to him.

So for the reasons given earlier, I'm satisfied Bastion should pay Mr A £70.20 to reflect the additional mileage he paid for. Bastion should also pay 8% simple interest per annum* on this sum from the date Mr A made this payment until the date Bastion settle this sum. Mr A should note that the 8% interest is to reflect the fact he has had the inconvenience of not having had access to these monies since he had to pay for the additional mileage.

As no further evidence or submissions were provided in relation to call costs, I remain of the view that Bastion does not need to make any payment for these. And for completeness, I agree with our investigator that it would not be fair for Bastion to pay £120 for Mr A's missed work shift. I don't think it's fair to hold Bastion to account for Mr A's car breaking down and unfortunately the delay in recovering Mr A from his location was not something within Bastion's control. Bastion dispatched the job promptly after speaking with Mr A, and the delay in recovery was due to slow traffic following an accident. I also agree with the investigator that while Bastion perhaps went further than was necessary in asking Mr A for evidence of his essential worker status, at the time it wasn't unreasonable for Bastion to check that Mr A was an essential worker. Mr A was also able to provide the evidence while speaking to Bastion during the initial claim. So I don't think this impacted anything.

So what remains for me to decide relates to the matter of Mr A's bank charge. Mr A did not provide any evidence of the charge he incurred, nor did he provide any more detail around what he had to do to resolve the matter with his bank. In view of this it's difficult for me to assess the level of inconvenience caused to Mr A in relation to this. So I think in the circumstances £25 is a fair sum to reflect the inconvenience caused to Mr A for this.

I understand Mr A feels that overall a higher level of compensation is due because of the stress the whole matter has caused him. I have considered what Mr A has said on this point, but I've not seen enough to say that more compensation is warranted.

I realise that breaking down is stressful for anyone and unfortunately this does have an impact on an individual – for example, the initial recovery, repairing the car and the inconvenience of managing day to day while a car is being repaired. However, these matters are not the fault of the insurer. I'm also mindful Mr A's policy with Bastion was not the most comprehensive on the market, so limitations do apply to the cover it provides. That said, Bastion did approve Mr A's claim and Mr A was taken home -so the policy did what it was required to do.

There's also a general expectation that sorting out something that has gone wrong causes a degree of inconvenience, but this in itself doesn't automatically mean compensation is due. And the Financial Ombudsman Service is not the regulator, so we do not fine or punish businesses.

Putting things right

Overall, for the reasons above I uphold Mr A's complaint. To put things right Bastion Insurance Company Limited should pay Mr A £70.20 plus 8% simple interest per annum*

from the date Mr A made the payment until the date the sum is paid. Bastion Insurance Company Limited should also pay Mr A £25 compensation.

*HM Revenue & Customs requires Bastion Insurance Company Limited to deduct tax from this interest. Bastion Insurance Company Limited should give Mr A a certificate showing how much tax they've deducted, if he asks for one.

My final decision

For the reasons above, my final decision is that Mr A's complaint is upheld and Bastion Insurance Company Limited should pay Mr A the award I have set out above in the section *Putting things right*.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr A to accept or reject my decision before 17 March 2022.

Kristina Mathews
Ombudsman