

The complaint

Mr P is unhappy that One Insurance Limited declined a claim on his breakdown cover.

What happened

In October 2021 Mr P called One Insurance to use his breakdown cover, which came with his motor policy, to request assistance. He had a flat tyre, caused by a puncture, outside his home. During the call Mr P told One Insurance he'd tried to replace the tyre but had accidentally broken off part of the wheel locking nut key in the process. One Insurance said he wasn't covered as the problem was down to human error rather than a mechanical failure. So Mr P paid for a local garage to recover his car instead.

Mr P subsequently complained to One Insurance about having to arrange his own assistance. The insurer responded to say the claim had been declined due to the following exclusion in the policy terms: *"Vehicles that have not been regularly serviced or breakdown as a result of inadequate repair/unsuccessful DIY; any reoccurring claim no remedial action has been taken to correct the fault"*. Unhappy with the response, Mr P referred the matter to our service for review.

An investigator here thought the complaint should be upheld. In her view, One Insurance hadn't fairly applied the term in question – as the breakdown wasn't the result of any 'inadequate repair' or 'unsuccessful DIY', the punctured tyre was. One Insurance responded to say claims for wheel changes were also excluded if there wasn't a locking wheel nut. But the investigator explained there was a locking wheel nut – but the key was damaged during Mr P's attempt to change the tyre. She recommended One Insurance covered Mr P's outlay, less the applicable excess, and paid an additional £50 compensation for the trouble caused.

One Insurance didn't agree the claim ought to have been covered and so the complaint was passed to me, an Ombudsman, for a final decision on the matter. I wrote to One Insurance to say I didn't consider any of the three reasons it had given Mr P fairly applied in the circumstances. But ultimately the claim wouldn't have been covered, as the policy excluded *"Assistance at your home or within 0.5 miles of your home address"*, and Mr P had told One Insurance during the initial call he'd broken down outside his house.

I told the insurer I planned to award £100 compensation for Mrs P's wasted effort and the poor service. I explained that was because he'd had to go through a protracted complaints process in order to get the simple explanation he should have got during the initial call. One Insurance didn't agree – it said Mr P was never eligible for assistance, so it was unreasonable for me to deem compensation payable.

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, I'm upholding Mr P's complaint – and I've decided to award him £100 compensation. I'll explain why.

Mr P was, over time, provided with three reasons by One Insurance as to why his claim wasn't covered. He was initially told over the phone that assistance wouldn't be provided under his policy as the problem was down to human error rather than a mechanical failure. I don't agree that was a clear explanation – there isn't a term in the policy relating to 'human error', and puncture assistance is covered. The agent might have been trying to allude to the 'unsuccessful DIY' term, but as I've explained below I don't agree that was relevant.

One Insurance has since pointed to two other terms in the breakdown cover, which it has said means the claim wasn't covered. One of those, listed under exclusions, was: *"Vehicles that have not been regularly serviced or breakdown as a result of inadequate repair/unsuccessful DIY; any reoccurring claim no remedial action has been taken to correct the fault"*. But I don't agree that term fairly applied in the circumstances – the breakdown wasn't the result of Mr P's attempted repair, it was down to the punctured tyre (which the policy did cover).

The other term One Insurance wanted to rely on was: *"Wheel changes, burst tyres and puncture assistance, a further £35.00 excess is applicable for these claims. (Excluded if there is no locking wheel nut)"*. Again, I don't agree that exclusion fairly applied here – as there was a locking wheel nut. I appreciate Mr P had snapped off part of the wheel locking nut key, but I've seen nothing that persuades me the locking nut wouldn't have been easily removed – particularly given the type of equipment I'd expect a breakdown recovery service to have when providing assistance. In any event, the policy covered recovery to a garage, even if the nut couldn't be removed at the roadside.

There was another exclusion in the policy that I consider did apply: *"Assistance at your home or within 0.5 miles of your home address"*. During the initial call to request assistance Mr P told the agent he had a puncture/flat tyre outside his house – so a call out wouldn't have been covered. That means he'd have always had to spend the money he did on arranging his own breakdown assistance. I've considered One Insurance's response to my provisional thoughts, but that hasn't changed my mind about compensation being payable though.

I still find that not giving Mr P the correct (and only) reason for why his claim wasn't covered, during the initial call, has resulted in some wasted effort on his part. Mr P has had to wait this long, and ultimately come to us, before getting a satisfactory explanation. He's also been left with the feeling that the insurer used whatever term/reason it could, to avoid providing assistance. Regardless of whether Mr P was ever eligible for assistance, that poor service from One Insurance has resulted in some inconvenience and frustration. Taking account of all the above, I consider £100 to be the fair amount to compensate that impact.

My final decision

My final decision is I uphold Mr P's complaint about One Insurance Limited and direct the insurer to pay him £100 compensation.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr P to accept or reject my decision before 29 June 2022.

Ryan Miles
Ombudsman