

The complaint

Mr J complains that Bastion Insurance Co. Ltd unfairly turned down a claim on his roadside assistance insurance policy.

What happened

Mr J's car broke down, so he called Bastion to claim on his policy. Bastion reviewed the claim and turned it down as they said his car was still mobile. Mr J then arranged for a different recovery for his car and paid £169 to have it recovered. He also complained to Bastion and provided images of the issue with his car.

Bastion reviewed the complaint and said while they didn't think they acted unfairly by turning down his claim, upon reviewing the images said the claim should have been covered. Bastion then offered to reimburse what Mr J paid for recovery, minus his policy excess. Bastion said Mr J accepted this in full and final settlement of his complaint, but Mr J referred his complaint here as he wasn't satisfied the complaint was resolved. He said he'd spent several hours at the side of the road and due to a medical condition needed to go to the toilet regularly at the side of the road which caused him unnecessary distress and inconvenience.

Our investigator reviewed the complaint and explained while Bastion had said it had been resolved in full and final settlement, Mr J didn't agree. He said it wasn't clear if the settlement had been paid and Mr J had suffered additional distress and inconvenience due to Bastion incorrectly declining the claim originally. Because of this he recommended Bastion also pay an additional £125 compensation for distress and inconvenience.

Bastion didn't agree and said it had resolved Mr J's complaint but offered to pay him an additional £50 compensation. Mr J didn't accept this and so Bastion increased it to £75 which Mr J also didn't accept. Bastion then withdrew the offer of compensation and said it wasn't fair and reasonable for this service to consider the complaint as a full and final settlement had been agreed.

As Bastion disagreed with our investigator the complaint has come to me to decide.

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.

I'm satisfied Bastion's offer to refund Mr J what he paid for recovery, minus the policy excess, is a fair and reasonable amount to put him back in the position he would have been in had his claim not been declined originally. In this decision I will therefore focus on whether Bastion should also compensate Mr J for the distress and inconvenience he suffered by his claim being declined.

Bastion has said our service couldn't consider this complaint as a full and final settlement had been agreed. While I agree that when a full and final settlement is agreed between both

parties it may be that we decide a complaint isn't one we'll consider. However, in this case, as Bastion has made two further offers of additional compensation, I don't see a reason not to consider this complaint.

As Mr J's claim was declined, he then had to arrange another recovery which meant he unfortunately spent several hours at the side of the road. He's also explained he has a medical condition which means he needs to go to the toilet frequently and this caused him additional unnecessary distress and inconvenience. If Bastion had originally accepted Mr J's claim, then he wouldn't have had this unnecessary distress and inconvenience. I'm therefore satisfied that £125 is a fair and reasonable amount of compensation for this. To put things right Bastion should pay this amount to Mr J, on top of the refund for what Mr J paid to have his car recovered.

My final decision

For the reasons explained above my final decision is that I uphold this complaint. I require Bastion Insurance Co. Ltd to pay Mr J:

- The £169 he paid for recovery, minus the policy excess, if not already paid
- £125 for distress and inconvenience

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

Alex Newman
Ombudsman