

The complaint

Ms T complains about the level of service provided by U K Insurance Limited (UKI) when she made a claim on her roadside assistance motor insurance policy. She wants compensation and reimbursement for her expenses.

What happened

Ms T's car broke down and she called UKI for assistance. UKI initially declined the claim as Ms T didn't have a valid MOT, but it then waived this. It then offered to recover Ms T for 10 miles after which she would have to pay 540 euros to recover her car to her home address. Ms T declined this and arranged her own recovery. UKI thought it could have communicated better with Ms T at the time and it offered her £75 compensation. But Ms T thought UKI had mis-sold her the policy.

our Investigators view

Our Investigator didn't recommend that the complaint should be upheld. He thought Ms T had bought her policy online and it was non-advised. He thought UKI had acted within the policy's terms and conditions by firstly declining cover because of the lack of a valid MOT and then because of the recovery limit in Ms T's policy. He thought UKI had applied the policy's terms fairly and reasonably and it was Ms T's decision to decline the offer of recovery.

Ms T replied that she had never bought a policy online. She said she had added breakdown cover in a call to UKI. Ms T also said she hadn't been offered assistance to get her children and herself home. She thought the policy provided this.

my provisional decision

After considering all the evidence, I issued a provisional decision on this complaint to Ms T and to UKI on 3 January 2023. I summarise my findings:

Ms T told us she had a very upsetting and stressful experience when her car broke down on a busy motorway, leaving her and her four children scared. I was sorry to hear about this. Ms T said she had to pay for a mechanic to provide her with a courtesy car and then recover her car to her home address. She said she didn't receive from UKI the service she expected, and that she thought was provided by her policy.

Our approach in cases like this is to consider whether the insurer's acted in line with the terms and conditions of the policy and fairly and reasonably.

In its response to Ms T's complaint. UKI said it should have declined recovery because her car didn't have a valid MOT at the time of the breakdown. I looked at Ms T's policy booklet and on page 9 it says:

"In all cases, the vehicle's got to meet these criteria;

It meets any legal requirements and driving laws that apply, including having valid tax, insurance and an MOT. We can check these details when you ask us for help."

UKI checked Ms T's car's records and noted that she didn't have a valid MOT. So I would usually agree that refusing recovery for this reason was in keeping with the policy's terms and conditions. But Ms T explained that this requirement had been waived by the police due

to a backlog caused by the pandemic so long as the car was roadworthy and was booked in for an MOT. And she had a booking for an MOT two months later.

After some debate with the recovery agents, UKI's underwriters said that Ms T was covered despite not having a current MOT, in keeping with then current government guidance. And I could see that this was in keeping with police and insurance industry advice at the time. UKI's underwriters provided evidence of this to the recovery agent.

So I couldn't say that UKI should have declined Ms T's recovery for this reason. And I thought UKI was wrong, when Ms T complained, to use this as a reason for not providing cover. But this didn't change the outcome in any case as UKI didn't then recover Ms T's car.

Ms T said UKI's agent then declined recovery because Ms T wasn't within ten miles of her home address. She said this was later confirmed by UKI as her policy entitlement. Ms T said the agent offered to collect her car for 540 euros but wouldn't recover Ms T or her children or attempt a roadside repair. Ms T then made her own recovery arrangements.

But I didn't think Ms T's recall was quite correct. This was because the agent told Ms T that her policy provided a ten mile recovery free of charge and anything over that would be chargeable. And on page 11 of the policy booklet, it says:

"Local recovery

If we come out to your vehicle but can't get it going, we'll take you, your vehicle, and your passengers to one of our repairers, no matter how far away that is. If you prefer we can take you to a single destination somewhere else, as long as it's 10 miles or less from where the breakdown happened, or no further away than the repairer we've recommended".

Ms T discussed the breakdown with UKI's agent, and he said roadside repair wouldn't be possible and that her car would have to be recovered. Ms T told us that the problem was due to a broken fanbelt and this could have been repaired at the roadside. But we're not engineers, and so I couldn't say that UKI should have done this. I couldn't say that its experienced call handler was wrong in saying that recovery was the only option. And, because the recovery was for more than ten miles, I think the agent correctly said that Ms T would have to pay for the further mileage in keeping with her policy's terms and conditions.

Ms T thought the location of her breakdown affected UKI's decision. But I couldn't see that this affected its decision at all.

Ms T recalled that when she first bought the breakdown cover it was over the phone. She recalled some very different terms were explained to her. I thought, from her description, that she thought she was covered for recovery as long as she was 10 miles or more away from her home.

We asked UKI for the sales calls when Ms T made and renewed her policies. After some confusion about the sales process, UKI agreed that Ms T had applied for her policy online, but that she had finalised the purchase in a call. UKI said it only retains calls for three years, so these aren't available from when Ms T first took out her policy and bought breakdown cover. The policy auto renewed after this date and UKI said no calls were made.

So I wasn't able to listen to the sales call when Ms T added breakdown cover. Ms T provided evidence of calls she made to renew her policies. But I couldn't see that UKI retained these. In any case, Ms T hadn't said that she discussed her breakdown cover in these calls. So I didn't think they would be relevant.

Ms T received her policy documents. And I could see that they specified her level of breakdown cover and I thought it was for Ms T to review these and decide whether or not they met her needs. So I couldn't reasonably say that the policy was mis-sold.

Ms T said she'd been told that UKI keeps calls for seven years. But I was satisfied that this was incorrect as I saw UKI's policy on call retention and I've also seen other cases where calls are kept for only three years. Retention times are UKI's commercial decision, so this

wasn't something I could comment on. If Ms T thinks she was provided with incorrect information, then UKI said she should complain to it first to give it a chance to respond.

Ms T was unhappy that UKI didn't offer to recover herself and her children. But I couldn't see that this was provided by her policy. It provides recovery to a garage if repairs can be made. But this wasn't the case and so Ms T would have had to arrange her own recovery in any case.

UKI offered Ms T £75 compensation because she had spent longer on the phone to its agents than she should have done. Ms T had to wait for two hours at the roadside to get a decision from UKI. I thought its offer of compensation was fair and reasonable as it's in keeping with our published guidance for service problems with this level of impact.

But UKI had also made errors in handling Ms T's claim. It wrongly said that it shouldn't have offered to cover Ms T at all because of the lack of a current MOT. It wrongly said Ms T had bought her policy online. I thought these errors caused Ms T avoidable frustration and upset. I thought UKI should pay Ms T £100 further compensation for this as that's in keeping with our published guidance for when repeated errors are made.

Subject to any further representations by Ms T or UKI, my provisional decision was that I intended to uphold this complaint in part. I intended to require U K Insurance Limited to pay Ms T £100 further compensation for the distress and inconvenience caused by its level of service.

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.

UKI replied that it thought its offer of £75 compensation for the initial delay in the claim was reasonable. And it said there's no evidence that the policy hadn't been mis-sold. And, as I've explained above, I agree with UKI on these two points.

But I also think that UKI caused Ms T avoidable frustration and stress by later wrongly telling her that it shouldn't have provided cover due to the lack of an MOT and that Ms T had bought her policy online. And I am still satisfied that it should pay Ms T an additional £100 compensation for this.

Ms T replied reiterating many of her concerns, but she hasn't provided any additional evidence for me to consider. I can understand the strength of Ms T's feelings about the service she received on this occasion. I have no doubt that the breakdown on a busy motorway must have been a stressful and upsetting experience. Fortunately, Ms T was able to steer her car into the entrance of a petrol station so that she and her children were out of danger.

Ms T said she wanted her recovery expenses reimbursed. But, as I've explained above, I'm satisfied that UKI provided a service in keeping with the policy's terms and conditions. And as it didn't do anything wrong in this, I can't require it to refund these costs.

Ms T wanted UKI held accountable for leaving her and her children on the roadside. But it's not our role to punish businesses. Our role is to consider the specific complaints of consumers, how a business has responded to them and the impact its errors have had.

Ms T thought UKI should have attempted to repair her car and, if this wasn't possible, then recovered her to a garage. But, as I've explained, it's for UKI to decide whether a roadside repair is likely to be successful. UKI's agent explained to Ms T that if the car couldn't be repaired at the roadside, then it would be recovered to a garage. He then spoke with the roadside recovery company, and it was agreed that Ms T was covered by her policy.

But the recovery agent decided that recovery was the only option and the car would then be repaired the following morning. Local recovery wasn't then discussed, just the recovery to

Ms T's home address. Ms T said her garage could do this more cheaply than UKI's agent and ended the call. I can understand that this must have been a stressful situation. But I can't say that Ms T asked for local recovery at the time, instead she arranged her own recovery.

Ms T reiterated that she had been told that UKI kept its calls for seven years. I don't doubt her account. But, as I've explained above, this was incorrect as UKI's policy states that it retains them for only three years. UKI has said that if Ms T remains concerned that she was given incorrect information then she should raise a further complaint with it.

Ms T said she hasn't received the £75 compensation offered by UKI. I think it's for Ms T to decide whether or not she accepts this offer along with the £100 further compensation that I have awarded.

Putting things right

I require U K Insurance Limited to pay Ms T £100 further compensation (£175 in total) for the distress and inconvenience caused by its level of service.

My final decision

For the reasons given above, my final decision is that I uphold this complaint in part. I require U K Insurance Limited to carry out the redress set out above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms T to accept or reject my decision before 2 March 2023.

Phillip Berechree
Ombudsman