

## **The complaint**

Mr L complains that U K Insurance Limited (UKI) failed to attend when his vehicle broke down on the motorway under his breakdown assistance policy.

## **What happened**

A wheel came off Mr L's vehicle when he was driving on the motorway. He called UKI but couldn't get through. He says when he did speak to an agent, he was told a recovery wouldn't be provided. Mr L arranged for a recovery through Highways England to a nearby service station for which he paid £250.

Mr L says that when he got through to UKI he was told that if he had hit something, he would need to claim through his motor insurance. He told the agent he hadn't hit anything. Also, that the police advised him that UKI should arrange for a recovery. Mr L says UKI's agent told him the police "didn't know the policy" and that he would need to contact his insurer. Whilst he was still talking, he says the agent cut the call off.

Mr L says he returned home, which is some distance from where the breakdown occurred. He contacted UKI again and it agreed to tow his vehicle. He returned to his vehicle to meet UKI's recovery driver. He says UKI told him only a local tow was covered not a tow back to his home. Mr L says he arranged for his vehicle to be towed to a friend's property who lived closer to the area where the breakdown occurred.

In order to arrange for repairs to his vehicle Mr L says he had to make four trips. He says he lost a total of nine days work as a result. Had his vehicle been towed to his home, Mr L says this could've been avoided.

Mr L says the breakdown occurred on a smart motorway. This meant he was stuck in a live lane which was very distressing. Especially when he couldn't get through to UKI initially, and then when it refused to provide a recovery service.

Mr L complained to UKI. It offered to pay the cost of his recovery off the motorway in addition to £100 compensation. Mr L didn't think this was fair and referred the matter to our service. Our investigator upheld his complaint. He says a total compensation payment of £650 is fair to acknowledge the distress and inconvenience UKI caused. In addition to £250 to cover the cost of the recovery Mr L paid.

Our investigator says Mr L had to arrange alternative travel back to his home address on the day of the breakdown. As well as the cost of returning to the area where his vehicle had been recovered to, the following day, to allow UKI to provide a tow to his desired location. UKI disagreed with this outcome. It says its initial offer of compensation was too low. But felt £400 would be fair. It asked for this offer be put to Mr L. He didn't accept this offer and didn't confirm his agreement to our investigators view.

Because an agreement hasn't been reached the complaint has been passed to me to decide.

I issued a provisional decision in February 2023 explaining that I was intending to uphold Mr L's complaint. Here's what I said:

*provisional findings*

*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 have decided to uphold Mr L's complaint. Let me explain.*

*From the records UKI provided I can see that Mr L has the Recovery Plus breakdown assistance cover. I've read his policy terms to understand the cover provided. The terms say:*

*"..if your vehicle can't be fixed locally the same day, we'll take you, your passengers and your vehicle to a single destination of your choice, anywhere in the UK."*

*And:*

*"We may choose to arrange recovery of the vehicle separately to you and your passengers – we will tell you if we are going to do this and let you know when the vehicle can be delivered."*

*From the description of the breakdown, it wasn't possible to repair the vehicle the same day. Even if it was, UKI didn't attend until the day after the breakdown for a repair to have been attempted. The policy terms say UKI should've taken Mr L and his vehicle to a destination of his choice within the UK. I don't think it was fair that he had to arrange for alternative transport when this didn't happen.*

*This also meant that Mr L had to return to the service station where his vehicle was parked the following day. Again, at his own expense. This was to allow UKI to arrange a tow. UKI's records indicate it was Mr L that specified the destination for the tow. But in his complaint, he says UKI told him he could only have a tow within the local area.*

*The records show UKI called Mr L two days after the breakdown. This was to discuss its offer of reimbursement and compensation. At this time Mr L said it would have been more convenient to have his vehicle towed home. UKI's agent queried why he hadn't specified his home location instead of the one he gave. The record says Mr L thought a tow was limited to within 30 miles. He said he didn't want to push his luck by asking for a tow home, which would be about 158 miles.*

*In these circumstances I think it's reasonable that UKI reimburses Mr L for his travel costs on the day of the breakdown. As well as the following day when he had to return to his vehicle. This is because UKI failed to arrange transportation for Mr L and recovery of his vehicle on the day of the breakdown.*

*However, the following day UKI towed Mr L's vehicle to the destination he instructed it to. Because of this I don't think UKI is liable for any additional travel costs, or compensation for inconvenience, following the tow it provided. Had Mr L given his home address or a garage close to his home, further travel costs and inconvenience could have been avoided.*

*I've not been provided with call recordings from when Mr L first contacted UKI. However, the business has provided a summary of what was said. This is the call after Mr L had arranged the recovery via Highways England as he couldn't get through to UKI. It accepts there was no basis for its agent to decline the claim. It also says its agent ended the call whilst Mr L*

*was still talking. From this description it's clear UKI's agent handled the claim incorrectly and unprofessionally.*

*I've thought carefully about the impact all of this had on Mr L. Breaking down on a motorway must have been a stressful experience. Particularly in this case as there was nowhere to stop other than in a live lane. I'd expect UKI to respond swiftly in these circumstances and arrange for a recovery as per the terms of its policy. Because it didn't, this made a stressful situation far worse. UKI's incorrect action also caused Mr L inconvenience when he had to arrange his own travel from and then back to the service station where his vehicle was parked.*

*We asked Mr L to clarify where he stayed the night after the breakdown. He says he was able to stay with a friend and didn't return to his home address that night. He says a friend drove him back to his car the next day and also helped him to locate the wheel that came off his vehicle. We asked Mr L to evidence the travel costs he incurred. But he hasn't provided information to support this point.*

*Having considered all of this, I think UKI should compensate Mr L for the inconvenience and distress it caused him. In these circumstances I think a total payment for £400 is fair, in addition to the fee he paid to the Highways Agency. I acknowledge this compensation amount is lower than our investigator thought was reasonable. I'm sorry to disappoint Mr L and by no means is my intention to diminish the distress he felt. But I think this represents fair compensation for the failings described and for the impact this had.*

I said I was intending to uphold this complaint and U K Insurance Limited should:

- reimburse Mr L with the cost of his recovery off the motorway, if it hasn't already; and
- pay Mr L £400 compensation for the distress and inconvenience it caused him.

I asked both parties to send me any further comments and information they might want me to consider before I reached a final decision.

UKI responded to say it accepted my provisional decision and had nothing further to add.

Mr L didn't respond with any further comments or information for me to consider.

### **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.

As neither party has made any further submissions or provided further evidence for me to consider, I see no reason to change my provisional findings.

So, my final decision is the same as my provisional decision and for the same reasons.

### **My final decision**

For the reasons I've given above and in my provisional decision, my final decision is that U K Insurance Limited should:

- reimburse Mr L with the cost of his recovery off the motorway, if it hasn't already; and
- pay Mr L £400 compensation for the distress and inconvenience it caused him.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr L to accept or

reject my decision before 18 April 2023.

Mike Waldron  
**Ombudsman**