

The complaint

Mr C complains Acromas Insurance Company Limited unfairly declined a claim against his Parts and Garage cover.

What happened

The background to the complaint is known to all parties so I won't repeat it here. Instead I'll focus on giving the reasons for my decision.

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.

Mr C held Parts and Garage cover with Acromas – sold alongside a roadside assistance policy provided by a third party, I shall refer to as A. In late-2021, he was driving when he says he noticed steam started coming from the front of his vehicle and he could smell fumes. He says the vehicle was unable to be driven, so he contacted A for assistance. A arrived and completed a 'breakdown report' which said:

“Unplugged auxiliary heat pump so member could use vehicle over the weekend and make appointment at garage for repair. To make a Parts and Garage Cover claim you must arrange for the vehicle to be taken to a garage without delay if it cannot be fixed at the roadside. Any delay or continued use will affect the validity of a potential claim. Any repairs need to be authorised prior to repair...”

Mr C, as instructed, went to repairing garages but they told him the replacement pump wouldn't be available for a while. He informed Acromas of this and says he was given a 'mileage warning' and told any further damage caused to the vehicle while driving it could impact the claim. Mr C says he had no other choice but to drive it, and said the manufacturer told him it was fine to do so and wouldn't cause further damage given the pump had been disconnected by A.

Acromas later declined the claim because they say the policy definition of a breakdown wasn't met. For clarity, this says:

'Breakdown: A sudden or unexpected event involving the Nominated Vehicle:

- a) as a result of Mechanical or Electrical Failure; and*
- b) which has been attended by [A] under your [breakdown] membership; and*
- c) that has prevented the Nominated Vehicle from starting or continuing its journey safely; and*
- d) that requires the repair or replacement of insured part(s) to enable the journey to be resumed or, when at Home cover is held under your [breakdown] membership, commenced”*

Mr C says before reporting the breakdown to A, his vehicle wasn't driveable, nor safe to drive, until A attended, carried out a temporary repair, and completed a breakdown report. I'm satisfied from what Mr C has told us that his vehicle suffered a mechanical failure which prevented him from continuing his journey. So, he contacted A who, in disconnecting the pump, carried out a temporary repair to enable Mr C to continue with his journey. So, I'm satisfied that the circumstances which resulted in him contacting A does fall within the definition of a breakdown.

The policy says it's designed to cover the costs of parts which require replacing or repairing following a breakdown A have attended. And, importantly, it says if a policyholder breaks down, and A can't fix it on the roadside, that's where the cover kicks in. Because I'm satisfied Mr C broke down and parts required replacing that couldn't be completed by A on the roadside, his Parts and Garage cover should have responded to the claim.

It follows the policy says Acromas will help cover the costs of work that's done in a garage after a breakdown. So, Acromas should have arranged to fix or replace the pump when Mr C first asked them to do this. As such, to put matters right, they must now settle Mr C's claim in line with the policy terms and pay him £100 compensation to recognise any distress and inconvenience the delays in settling the claim caused.

My final decision

My final decision is I uphold the complaint. Acromas Insurance Company Limited must now:

- Settle Mr C's claim in line with the remaining policy terms; and
- Pay him £100 compensation for any distress and inconvenience caused.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr C to accept or reject my decision before 24 May 2023.

Liam Hickey
Ombudsman