

The complaint

Mr M complains about the way One Insurance Limited handled a claim made under his roadside assistance policy.

Any reference to One Insurance includes the actions of its agents.

What happened

The circumstances of this complaint are well known to both parties, so I've summarised events.

- Mr M has a roadside assistance policy which is underwritten by One Insurance.
- Mr M called One Insurance when his car broke down approximately 300 miles from his home. One Insurance said owing to the long distance, it couldn't recover his vehicle to his home but said it could consider recovering it to a closer destination – 40 miles away - but that Mr M would need to find a garage there.
- Mr M said he ended up making his own arrangements to get back home – which he did by using his passenger's breakdown assistance policy. He said the journey took him 22 hours rather than five.
- Mr M says it's unfair One Insurance chose not to recover his vehicle even though he was willing to pay the additional mileage charge. He said the incident severely affected his mental health, and he wants One Insurance to recognise this emotional distress.
- In response One Insurance said it couldn't recover Mr M's vehicle because the distance was too great. And so, even though he was willing to pay the additional mileage charge, it remained that it didn't have a recovery driver who'd be able to complete a 600-mile round trip. But it said it could have been more helpful and so, offered £150 compensation.
- Mr M remained unhappy and so, brought a complaint to this Service. An Investigator considered it and thought the compensation offered was fair. Because Mr M disagreed, the complaint has been passed to me for an Ombudsman's 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.

Having done so, I agree with the outcome the Investigator reached – I'll explain why.

- The starting point is the policy document which says: *"If repairs cannot be successfully carried out at the scene of the breakdown, then we will pay the cost of recovering the vehicle, driver and up to four passengers to the nearest open and suitable garage able to affect a repair, your home address or a destination of your choice within 10 miles."*

- It goes on to say: *"We will always decide on the best possible way of offering assistance, after taking in to account individual circumstances."* Meaning it's for One Insurance to decide the most appropriate course of action.
- I understand Mr M is unhappy that One Insurance didn't attempt to repair his car at the roadside and said it couldn't recover his vehicle to his home address owing to the distance. With regards to the first concern, I've listened to the call he had with the agent and note the agent said he didn't think the car could be fixed at the roadside. But I'm not persuaded it was reasonable for the agent to reach this conclusion as they aren't an engineer, and the cause of the breakdown was inconclusive at this point.
- However, because Mr M has told us another, experienced, breakdown company recovered his car, it's reasonable to assume this company attempted a roadside repair - which was unsuccessful – before doing so. This, coupled with the fact, Mr M has said his car was scrapped because it was beyond economic repair satisfies me that even if One Insurance had attempted a repair at the roadside it was unlikely to have been successful, and Mr M would have found himself in the same situation – namely being offered recovery to a local garage. And so, I don't consider the agent's actions to have prejudiced the situation.
- One Insurance did say it could consider recovering Mr M's vehicle to a destination 40 miles away – where he could find a garage - but he chose to use his passenger's breakdown cover instead. So, it's not that One Insurance refused to assist, rather that it said it couldn't recover to Mr M's home because of the long distance.
- Whilst the policy says an excess mileage charge applies for recovery distances beyond 10 miles, it also says cover is for recovery to "the nearest open and suitable garage." Ultimately, it's for the insurer to decide how to best deal with the claim, and I consider that it was reasonable for One Insurance to recover Mr M's car to a garage 40 miles away, instead of to his home 300 miles away. I say this because breakdown cover is intended to get the vehicle mobile at the earliest opportunity – and I'm satisfied recovery to a garage where a repair could be attempted was a reasonable course of action.
- So, even though Mr M might have been willing to pay the extra mileage, as it's up to One Insurance to decide how to best deal with the claim, his willingness to pay doesn't mean One Insurance was obligated to carry out a recovery to his home when it could have recovered his vehicle to a garage which was nearer – therefore, fulfilling its obligation under the policy to provide recovery assistance.

Redress

- Mr M has asked for the policy premium to be refunded. Because I'm satisfied One Insurance has treated Mr M fairly, I won't be directing it to do this. But in any event, this policy was a free add-on to Mr M's motor policy, and so, there isn't a premium to refund.
- Mr M wants the call out/excess fee refunded because One Insurance didn't provide recovery assistance. Although One Insurance ultimately didn't recover Mr M's car, this was because he chose to use an alternative breakdown recovery service and wasn't because it had refused to offer any assistance. In any event, the policy makes it clear that this *"fee is payable on notification of the breakdown and must be paid prior to recovery being instructed."* So, I'm satisfied Mr M was always required to pay it.

- Mr M considers the policy wording to be misleading because it says an additional mileage will be payable for recoveries where the distance is greater than 10 miles – but was told 300 miles was too far, even though he was willing to pay. And he wants £900 compensation to recognise this. I've explained above why I'm satisfied One Insurance has acted in accordance with the terms of the policy, so I won't reiterate that here. But, for completeness, I will add that I don't consider it reasonable to use the cost of additional mileage as a basis for determining compensation.
- Mr M has said he wants to be reimbursed for food and drink expenses he incurred during his onward journey home. One Insurance said it could recover Mr M's vehicle to a garage, but he chose to use his passenger's breakdown policy instead. I don't consider it reasonable to direct One Insurance to cover expenses Mr M incurred at his own volition when One Insurance had offered assistance.
- Mr M says his car has been declared beyond economic repair and he wants One Insurance to pay the value of his car. I've not been provided with any evidence to show One Insurance's action had any bearing on the condition of Mr M's car and it subsequently being scrapped. So, I won't be making an award in respect of this.
- Mr M says One Insurance treated him unfairly owing to his sex. He said it wouldn't have left a female policyholder stranded. But he's not provided any evidence to support this allegation. Nor have I seen anything to suggest One Insurance's decision to not recover his car to his home address was based on Mr M's sex. Rather, this was because of the distance involved. So, I'm not persuaded Mr M's sex had any bearing on the outcome of the claim.

Compensation

- One Insurance offered Mr M £150 compensation, but he's not accepted this. Understandably, breaking down was a stressful event for him and I appreciate Mr M was worried about his safety and how the situation was going to be resolved.
- In deciding what's reasonable compensation, I must keep in mind that One Insurance isn't responsible for his car breaking down or it later being deemed beyond economic repair. But what I can consider is any distress or inconvenience which goes beyond what can reasonably be expected in a recovery situation such as this, *and* which is attributable to One Insurance.
- I don't doubt Mr M was frustrated at the lack of support he received from One Insurance. Having listened to the call, I agree its agent could have helped Mr M locate a garage. But rather than doing this, the agent put the onus on Mr M to find an available garage – which added to a stressful situation.
- Overall, whilst I agree the agent could have been more helpful during the phone call, I don't consider compensation to be warranted in respect of One Insurance's decision to not recover Mr M's vehicle to his home address - because as I've said above, I'm satisfied it acted in line with the terms of the policy. And with this in mind, I'm satisfied £150 compensation is fair in the circumstances.
- Mr M has said third parties had been affected by One Insurance's decision to not recover his vehicle to his home address. But as our Investigator explained, when determining compensation this Service can only consider the impact on him as he's One Insurance's customer.

My final decision

One Insurance has already made an offer to pay £150 compensation to settle the complaint and I think this offer is fair in all the circumstances. So, my decision is that One Insurance should pay £150.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr M to accept or reject my decision before 30 November 2023.

Nicola Beakhust
Ombudsman