

The complaint

Mr B has complained about Bastion Insurance Company Limited. He isn't happy about the way it dealt with a claim under his European breakdown insurance policy.

For ease of reading any reference to Bastion includes its agents.

What happened

Mr B took out a European breakdown policy with Bastion just before he went abroad. He took out the policy for a month to cover the period he was away. But when he had a breakdown on a French motorway, his car had overheated following the loss of coolant, and he called Bastion for help it turned down his claim.

Initially Bastion said that Mr B's car wasn't completely immobile, and its policy didn't provide cover in these circumstances. And it went on to say that the claim wasn't covered as he hadn't told Bastion he was going abroad, and Bastion said it *may* also decline cover in these circumstances.

Mr B wasn't happy about this, so he complained to Bastion. It maintained its position but offered to refund his premium as a gesture of good will. But Mr B wanted the additional costs he incurred refunded and so he complained to this Service.

Our Investigator looked into things for Mr B and upheld his complaint. She thought that Bastion hadn't acted fairly, and it should consider the costs Mr B incurred in line with the policy terms and pay £200 by way of compensation for the clear stress, worry and inconvenience Mr B faced when it turned down his claim.

As Bastion didn't agree the matter has been passed to me for review.

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 think this complaint should be upheld. I know this will come as a disappointment to Bastion, but I'll explain why.

I don't propose to go over the finer detail of the issues here as both sides are fully conversant with the claim and what happened. Ultimately, I don't think I can say Bastion has acted fairly in declining Mr B's claim in the particular circumstances of this case, I'll explain why.

I know Bastion believes that only the contract term can be considered when looking at these kinds of complaints. But this Service has always looked at complaints on an individual case by case basis and in a fair and reasonable way. If it is felt something isn't fair, then we will look to consider the reasonableness of the actions taken and decisions made.

In looking at whether it would be fair to decline Mr B's claim as his car was physically moveable when he called to make a claim Bastion says that Mr B *'agreed that assistance will only be provided where your vehicle is completely immobile and incapable of moving.'* And so, Bastion feels that it acted in line with the policy terms and conditions in turning down the claim in line with this.

I know Bastion strongly believes that only the contract term can be considered when looking at these kinds of complaints. But this Service has always looked at complaints on an individual case by case basis and in a fair and reasonable way. If it is felt something isn't fair, then we will look to consider the reasonableness of the actions taken and decisions made.

In this instance Mr B called to say his car had broken down and wasn't driveable. Bastion's agent says the policy defines breakdown as *'an electrical or mechanical failure which immediately renders the vehicle immobile'*. So, while technically using the most favourable interpretation for Bastion, and one which clearly suited them, Mr B's car may not have been completely immobile. But I don't think Bastion applied the policy terms in a fair and reasonable way. I say this because while Mr B's car may have been moveable, I don't think that means it was what most people would describe as mobile.

Plus, it clearly wasn't safe or sensible to drive the car as it had coolant coming from the car and to do so would have caused further damage and potential danger to Mr B and other road users, especially on a fast-moving motorway. So, when thinking about what's fair and reasonable in all the circumstances I'm satisfied the car was what most people would consider immobile when contacting a roadside assistance provider. The sort of problem Mr B experienced is exactly the sort of problem people buy a roadside assistance policy to protect them against and so I don't think it would be fair for Bastion to turn down Mr B's claim.

Turning to Mr B not telling Bastion he was about to go abroad when he took out the policy. He took out a European breakdown policy for a month as he was about to go abroad as he had done the year before. Bastion has said that he needed to notify them when his journey began but Mr B didn't realise this and as he took out the policy for his imminent journey that is understandable.

I've looked at Bastion's documentation and although it is outlined in the policy documentation that Mr B needed to tell Bastion of the date of travel the policy summary (Insurance Product Information Document – (IPID)) doesn't highlight this and I would expect it to given the significant restriction of cover. Plus, as Mr B outlined the IPID isn't specifically for his policy but a catch all for all Bastion's breakdown policies.

Given it was clear Mr B was about to commence his journey when he took out his policy (for 30 days), and I've not been provided with any evidence this impacted Bastion's ability to cover the claim, I think it would be unfair to decline his claim for this reason. Bastion's policy is clear that *'your claim for assistance maybe denied...'* and this suggests a degree of flexibility here and that a claim would be considered. So, as Bastion hasn't suggested any impact or prejudice by Mr B not telling them about this and it was evident that Mr B was about to travel abroad I agree it wouldn't be fair to decline his claim for this reason either.

Finally, I note Mr B had broken down on a motorway and his policy clearly explains that if *'You Breakdown on a French motorway or motorway service area, We cannot arrange for assistance to be sent to You...'* as the network is privately managed. But goes onto say *'Once You have been towed off the motorway/service area, please call Us further assistance.'* Given the claim was incorrectly declined in the first instance Mr B was denied the opportunity to ask for further assistance that may have been offered once off the motorway.

Given all of this, I think the fair and reasonable thing to do, in the particular circumstances of this case, is for Bastion to consider the expenses Mr B incurred that ought to have been covered had the claim been met, subject to reasonable evidence. And I agree it must have been stressful and worrying to have been stranded in a foreign country when Mr B took out a policy to cover this exact eventuality, so he should be paid £200 by way of compensation.

My final decision

It follows, for the reasons given above, that I uphold this complaint. I require Bastion Insurance Company Limited to:

- Review the expenses Mr B incurred and cover any costs related to the decline of his claim, subject to reasonable proof; and
- Pay £200 compensation.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr B to accept or reject my decision before 12 April 2024.

Colin Keegan
Ombudsman