

The complaint

Mrs M complains that Acromas Insurance Company Limited declined her claim on the Parts and Garage optional extra of her roadside assistance motor insurance policy.

What happened

Mrs M's car broke down due to electrical or mechanical failure. A roadside assistance provider attended and carried out a temporary repair so that Mrs M could continue her journey. Mrs M then took her car to a garage for the repair to be made and she claimed on her policy. But Acromas declined the claim under the policy's terms and conditions as it said Mrs M had driven 599 miles since the breakdown. Mrs M said she didn't know there was a limit. And she said this was the earliest she could book her car in for repairs.

Our Investigator recommended that the complaint should be upheld. He thought Mrs M's breakdown met the criteria for cover. He thought the temporary repairs were necessary to get the car started. And he thought the distance Mrs M had travelled since then wasn't material to the claim. So he thought Acromas should settle Mrs M's claim in keeping with the remainder of the policy's terms and conditions and pay her £100 compensation for her trouble and upset.

Acromas replied that the policy terms required Mrs M to complete her journey after the temporary repairs were made and then to take it to a garage. It said the further 599 miles Mrs M drove in the intervening two weeks showed that the car was driveable and didn't meet the criteria for a Parts and Garage claim. Acromas asked for an Ombudsman's review, so the complaint has come to me for a final 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.

I can understand that Mrs M felt frustrated that her claim was declined, and she was left with a large bill for her repairs. 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.

Acromas said that Mrs M's car was driveable and so the breakdown wasn't covered by the policy. So I've first thought about whether Mrs M's claim met the policy requirements. The policy definition of a breakdown is:

'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 [roadside assistance provider] 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"

Mrs M said she reported the breakdown when her car wasn't driveable. It had lost power and almost stalled. The roadside assistance provider attended, carried out a temporary repair, and completed a breakdown report. From the report, I can see that the cause of the breakdown was mechanical failure. And it advised further investigation in a garage.

So I'm satisfied from what Mrs M has told us and the breakdown report that her car suffered a mechanical failure which prevented her from continuing her journey. So, she contacted the roadside assistance provider which carried out a temporary repair to enable Mrs M to continue with her journey.

So, I'm satisfied that the circumstances which resulted in Mrs M contacting the roadside assistance provider falls within the policy's definition of a breakdown.

Acromas said Mrs M was told on the breakdown report:

"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..."

We have carried out a temporary repair to your vehicle and you must make sure that the vehicle is fully checked out by your chosen repairer once you reach the end of this journey, or if you have been advised to act sooner than this then follow that advice."

Mrs M said she was unable to book her car into her garage until two weeks later and during this time she drove a further 599 miles. But I haven't seen in the policy that this would mean her claim would be excluded from cover.

Acromas said Mrs M had continued to drive her car for two weeks after the temporary repairs were made and this may have caused further damage. But the policy makes no mention of the claim being declined in full if the car continues to be driven, only that further damage won't be covered if it's occurred as a result of the car continuing to be driven. And I haven't seen any evidence to show that this was the case. So I'm satisfied this isn't a reason for Acromas to decline the claim.

Acromas later said that the car's failure was due to a blockage, and this was excluded from cover. But I haven't seen sufficient evidence to safely say it's fair and reasonable for Acromas to rely on this exclusion. This is because the breakdown report said:

"Suspect either blocked egr cooler or valve. Will require further diagnosis at garage."

But the blockage wasn't then confirmed by the repairing garage. The garage told Acromas the fault was *"failed EGR valve cooler assembly"*. Acromas didn't then establish if this was due to a blockage. So I don't think it has justified its decision to decline the claim because of this.

The policy says it's designed to cover the costs of parts which require replacing or repairing following a breakdown the roadside assistance provider has attended. And, importantly, it says if a policyholder breaks down, and the roadside assistance provider can't fix it on the roadside, then the policy provides cover.

Because I'm satisfied Mrs M broke down and parts required replacing that couldn't be completed by the roadside assistance provider on the roadside, the Parts and Garage cover should have responded to the claim.

The policy says Acromas will help cover the costs of work that's done in a garage after a breakdown. So, Acromas should have paid towards fixing or replacing the faulty parts when Mrs M first asked it to do this. But it didn't.

When a business makes a mistake, as I'm satisfied Acromas has done here, we expect it to restore the consumer's position, as far as it's able to do so. And we also consider the impact the error had on the consumer.

So I think, to put matters right, Acromas must now settle Mrs M's claim in keeping with the remaining policy terms and conditions. And, as the delay has caused Mrs M avoidable trouble and upset, I think it should pay her £100 compensation as this is in keeping with our published guidance for the impact the error had.

Putting things right

I require Acromas Insurance Company Limited to do the following:

- Settle Mrs M's claim in line with the remaining policy terms and conditions; and
- Pay Mrs M £100 compensation for any distress and inconvenience caused by its level of service.

My final decision

For the reasons given above my final decision is that I uphold the complaint. I require Acromas Insurance Company Limited to carry out the redress set out above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs M to accept or reject my decision before 19 August 2024.

Phillip Berechree
Ombudsman