

The complaint

Mr H complains about the decline of a claim he made under his mechanical breakdown insurance policy with Wakam.

What happened

The background to this complaint is well known to Mr H and Wakam. In my decision, I'll focus mainly on giving the reasons for reaching the outcome that I have.

In April 2023, Mr H contacted Wakam about making a claim under his mechanical breakdown insurance policy, following work carried out on his car. Wakam let Mr H know that most of the work carried out wouldn't be covered under his insurance policy, some other work may be excluded under a mileage/wear and tear limitation – but if he confirmed with the garage the parts had been retained, they'd consider that part of the claim.

Mr H later made a complaint and as he remained unhappy with Wakam's response, he referred it to our Service for an independent review. Our Investigator considered the complaint but didn't recommend that it be upheld. As the dispute remained unresolved, it's been referred 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.

Our Service is an alternative, informal dispute resolution service. Although I may not address every point raised as part of this complaint - I have considered them. This isn't intended as a discourtesy to either party – it simply reflects the informal nature of our Service.

The scope of my decision

Mr H has raised various issues with the service provided by the third party garage. For example he disputes that he brought his car in for servicing rather than repair. I won't be considering or addressing those concerns, only the actions of his insurer.

Mr H has also referred to there being a legal relationship between Wakam and the third party garage he chose to use. This is irrelevant to my decision as I'm only considering the actions of Wakam in their capacity here as the underwriter of this insurance policy. The network of garages they might use to carry out a repair where a claim has been approved has no relevance to my decision - because of the nature of this particular complaint.

I won't be making any findings on Mr H's point about Wakam staff not having email signatures as that wasn't raised with Wakam as part of this complaint.

The claims process

The terms of this policy set out, very clearly, the claims process that needs to be followed. In summary, a policy holder is expected to contact Wakam ahead of any repair work taking

place. This isn't uncommon for this type of policy and it's intended to prevent situations such as the one Mr H has experienced ever arising. Mr H has told our Investigator that this was an emergency. He's said:

"It was not a repair to the car, the car had serious mechanical problems and I have to take the decision of safety and get the car to the mechanic so that I don't risk my life, my family life and other road users."

The third party repairer have said in an email dated 26 October 2023:

*"all work carried out on this vehicle was **as a result of report give to customer on a full service** [bold added for emphasis by Ombudsman] carried out on 24th April 2023, customer called centre to book in relevant advised work to be done on the 26th"*

I'm satisfied the claims process was clearly set out and Mr H didn't follow it. Whilst I can appreciate the immediate 'emergency', no reasonable explanation has been provided as to why he didn't contact Wakam prior to giving the garage the go ahead to carry out the necessary work on his car.

Wakam's actions after notification of the claim

A key point of contention in this complaint has been what happened after Mr H notified Wakam that he wanted to make a claim. Their email to Mr H dated 28 April 2023 stated:

*"...However, as agreed **subject to** [bold added for emphasis by Ombudsman] the garage having retained the displaced components, **we will be happy to arrange for an independent engineer to inspect** [bold added for emphasis by Ombudsman] and report of the cause of the failure.*

*We trust this clarifies the situation and would be grateful **if you can confirm that the garage has retained the displaced components and where these can be examined.**"* [bold added for emphasis by Ombudsman]

I'm satisfied Wakam made it clear that they would consider the claim further if the parts had been retained and they were awaiting an update from Mr H. I wouldn't have expected Wakam to take any further action at that point, until they heard back from either Mr H or the third party garage.

Mr H has said (email dated 1 November 2024):

*"They said they will arrange an independent engineer to inspect and report on the cause of the failure, when I communicated that to them in April 23 and there was no investigation. **They were to do the investigation and get back to me,** [bold added for emphasis by Ombudsman] **is after 6 months I heard nothing and is so I got in touch.**"*

I disagree with Mr H that Wakam told him they'd be arranging an independent engineer to inspect and report on the cause of the failure. As above, Wakam were awaiting further communication from Mr H.

I also find that there are various inconsistencies and contradictions in Mr H's recollection of events. Some of this may be explained due to the time that's passed. For example, I note that initially Mr H said in his complaint form that his garage informed Wakam about the parts being retained:

*“...They ask me to get in touch with the [garage name redacted by Ombudsman] for them to hold these specific parts for them to investigate, that was in May 23, **it informed them and no one seems to have gone to investigate.** [bold added for emphasis by Ombudsman] Its over 6 months when I heard nothing then I contacted them for an update and to provide evidence that they went and investigate.”*

But after our Investigator's assessment, he's said he spoke directly to Wakam on 1 May 2023 to let them know that the relevant parts had been retained.

Our Investigator then asked Wakam to check their records and these don't support any phone call from Mr H on that date from the number he's said he would have used. I'm satisfied Mr H has had an adequate and fair opportunity to provide us with supporting service of any phone call taking place – for example phone records or bills. He's failed to do so. I've also kept in mind why he'd be contacting Wakam directly - if he'd earlier told us that he believed the garage would be contacting Wakam.

At another point, after our Investigator's assessment Mr H has said:

“It is not my responsibility to contact [Wakam], I contacted [third party garage] and [they] say they will contact [Wakam] to let them know the parts are there....”

The evidence shows that Mr H contacted Wakam in late April 2023 to register a claim, Wakam asked him by email to clarify the status of some parts that had been replaced and Mr H next got back in touch with Wakam in October 2023. I don't find that Wakam have treated Mr H unfairly here after he raised a claim.

Wakam's consideration of the claim

This policy provides cover against the cost of certain repairs arising from an unexpected breakdown of mechanical or electrical components in a vehicle. This policy isn't intended to cover the costs of routine maintenance or servicing. I'm satisfied that Wakam acted fairly, reasonably and in line with the policy terms when declining to cover parts that weren't covered under the policy.

It was very fair that Wakam kept the door open on a potential claim for other parts – even though the work had been carried out without their authorisation. But they were waiting for an update from Mr H to allow the claim to progress. When Wakam did have contact with the third party garage in October 2023, they were told verbally that the suspension arm ball joints/bushes were worn. Therefore, although I find that Wakam didn't do anything wrong when waiting for confirmation from Mr H as to the status of the replaced parts, even in a scenario where they had inspected them it seems unlikely that the claim decision would

have been different here – based on what the garage told Wakam about the condition and age of the parts.

Summary

I find that Wakam fairly considered the claim as it was presented by Mr H. They were waiting for further information from Mr H in order to fully consider the claim. They've then fairly declined the claim in line with the policy terms.

My decision will disappoint Mr H, but it brings to an end our Service's involvement in trying to informally resolve his dispute with Wakam.

My final decision

My final decision is that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr H to accept or reject my decision before 13 January 2025.

Daniel O'Shea
Ombudsman