

## **The complaint**

Mr D has complained that an agent of The Caravan Club Ltd caused damage to his motorhome when he asked for assistance while travelling abroad and the Caravan Club misled him into believing repairs carried out in the UK would be met under his motorhome insurance policy.

All reference to The Caravan Club in my decision includes its agents.

## **What happened**

Mr D was on holiday in Europe with his motorhome. He contacted The Caravan Club for assistance as one of the wing mirrors wouldn't move into position to enable him to drive.

The Caravan Club arranged for a mechanic to attend under the 'Emergency Assistance' section of the policy. The mechanic carried out a temporary repair.

Mr D contacted The Caravan Club as he said the mechanic caused further damage. He said the mechanic had cracked the wing mirror in places, had taped the mirror and cable tied the protective arm for the mirror as he'd broken the holding clips.

The Caravan Club made attempts to locate a garage to carry out rectification repairs. Unable to do so, Mr D travelled home with the wing mirror as it was.

When home, Mr D arranged for the wing mirror repairs to be carried out. The costs came to £540 including VAT. He made a claim for reimbursement of the repairs to The Caravan Club.

The Caravan Club said Mr D's policy didn't cover repairs carried out in the UK. Mr D raised a complaint.

The Caravan Club didn't uphold the complaint. So Mr D asked us to look at his complaint.

One of our Investigators recommended the complaint should be upheld. He found that The Caravan Club had set an expectation with Mr D that it would cover the costs of the repairs for the damage caused by the mechanic. So he recommended The Caravan Club reimburse Mr D for these costs in full and pay interest at our preferred rate. He also recommended The Caravan Club pay Mr D £100 compensation for the distress and inconvenience caused.

The Caravan Club accept that the claim was accepted as a emergency assistance "breakdown" claim. And it accepted that its agent had misled Mr D. But it says the policy doesn't provide cover for Mr D's circumstances. It agreed to pay Mr D £100 compensation for misleading him, but not for the costs of repairs.

So the case has been passed to me to decide.

## **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 D's policy with The Caravan Club says;

*"As soon as your vehicle(s) becomes unusable because of breakdown, you will be covered for:*

*ii. Roadside assistance and towing to nearest garage;*

*iii. Emergency labour costs which enable the trip to continue;"*

Under the policy schedule for the level of cover Mr D holds, it says it will meet the costs of up to £250 for labour costs. And so The Caravan Club says it doesn't provide cover for the repairs.

However, as the Investigator explained, in this case, The Caravan Club set an expectation that it would meet the costs of repairs once Mr D returned to the UK. It took steps to find a local garage to carry out rectification repairs when Mr D alerted it to the additional damage caused, and provided clear photos of the wing mirror and wing mirror arm. There isn't any provision under the policy in the event that a mechanic causes damage while carrying out temporary repairs under the emergency assistance roadside section of the policy. So I don't find that the labour costs limit under the policy is relevant to Mr D's circumstances.

So in this case I think a fair and reasonable outcome is for The Caravan Club to meet the costs of the repairs to the wing mirror due to the damage caused by the mechanic and The Caravan Club's actions which led Mr D to believe it accepted responsibility for the damage.

Mr D has provided a copy of the wing mirror repairs invoice to The Caravan Club and to us for £540 including VAT.

I think The Caravan Club should pay Mr D £100 compensation for the distress and inconvenience caused by its failings.

### **My final decision**

For the reasons I've given above, my final decision is that I uphold this complaint. I require The Caravan Club Ltd to do the following:

- Reimburse Mr D for the repair costs to the wing mirror for £540.
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- Pay interest on the reimbursement from the date of the invoice to the date settled at a rate of 8% simple interest a year.
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- Pay Mr D £100 compensation for the distress and inconvenience caused.

The Caravan Club Ltd must pay the compensation within 28 days of the date on which we tell it Mr D accepts my final decision. If it pays later than this it must also pay interest on the compensation from the date of my final decision to the date of payment at a simple rate of 8% a year.

If The Caravan Club Ltd considers that it's required by HM Revenue & Customs to withhold income tax from that interest, it should tell Mr D how much it's taken off. It should also give Mr D a tax deduction certificate if he asks for one, so he can reclaim the tax from HM Revenue & Customs if appropriate.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr D to accept or reject my decision before 8 April 2025.

Geraldine Newbold  
**Ombudsman**