

The complaint

Mr W complains that Society of Lloyd's ("Lloyd's") is responsible for mishandling his claim on a breakdown insurance policy.

What happened

The subject matter of the insurance and the breakdown is a motorhome, first registered in 2001.

For the year from February 2024, Mr W had insurance for breakdown in the UK and Europe. A syndicate at Lloyd's was responsible for dealing with any claim.

The policy covered roadside assistance (and if necessary, vehicle recovery). The policy also covered costs to transport parts if they couldn't be sourced locally.

Much of the complaint is about acts, omissions or communications of service providers on behalf of the syndicate. Insofar as I hold it responsible for them, I may refer to them as acts, omissions or communications of Lloyd's.

Unfortunately, on 12 June 2024 (a Wednesday) Mr W's vehicle broke down at the campsite where he was staying in continental Europe. So he contacted Lloyd's for help.

Lloyd's sent roadside assistance from a garage. The garage diagnosed a problem with one of the axles or wheel bearings. The garage said they could repair the vehicle the following day or on Friday.

Lloyd's told the garage that Mr W was responsible for paying for the repair. The garage quoted Mr W about €450.00. The garage ordered wheel bearings and a joint.

On 14 June 2024 (Friday) the garage did some dismantling and noted worn brakes. Mr W agreed that the garage should replace brake parts. Mr W said that the garage had ordered an incorrect bearing.

By 15 June 2024 (Saturday), the garage had driven 100km to collect parts, fixed the vehicle and charged about €650.00.

Mr W complained that the garage refused to give him a receipt, only accepted cash and was very expensive.

In early October 2024, Mr W complained, through us, to Lloyd's about the garage.

By a final response dated December 2024, Lloyd's turned down the complaint. Mr W asked us to investigate.

our investigator's opinion

Our investigator recommended that the complaint should be upheld in part. She thought that Lloyd's didn't take the opportunity to obtain a full invoice and forward this on to Mr W. This would've also helped to determine the cost for transporting the parts. The incorrect parts were ordered due to an error caused by the garage, and as Lloyd's had appointed them, she thought that they were acting as an agent of the insurer.

The investigator recommended that Lloyd's should:

- obtain the invoice in relation to the costs incurred as they already have an established relationship with the repairing garage; and
- reimburse Mr W charges included within the invoice to transport parts plus 8% simple yearly interest from the date Mr W made payment to the repairing garage until the amount is reimbursed; and
- pay Mr W £100.00 for the distress and inconvenience caused.

Lloyd's disagreed with the investigator's opinion. It asked for an ombudsman to review the complaint.

my provisional decision

After considering all the evidence, I issued a provisional decision on this complaint to Mr W and to Lloyd's on 14 July 2025. I summarise my findings:

I didn't accept that the insurer was responsible for what happened between Mr W and the repairer.

Subject to any further information either from Mr W or from Lloyd's, my provisional decision was not to uphold this complaint in part. I didn't intend to direct Lloyd's to do any more in response to this complaint.

Mr W disagreed with the provisional decision. (see below – "Mr W's response to the provisional decision").

Lloyd's response to the provisional decision was that it had nothing further to add.

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.

The policy terms

The policy terms included the following:

"Roadside assistance

What is covered:

If the insured vehicle suffers a breakdown in Europe we will cover:

- *up to one hour of labour costs at the roadside to try and repair the fault*
- *taking the insured vehicle and you to the nearest available repairer if the breakdown cannot be repaired at the scene*

What is not covered:

- *more than one hour of labour costs at the roadside*

- *any costs (including labour) incurred for any repairs carried out other than at the scene of the breakdown*
- *any transportation beyond the nearest available repairer*

So the policy provided for one hour of labour at the roadside to try to repair the vehicle, failing which the policy provided recovery of the vehicle to a repairer. I accept that the insurer was responsible for this, so the roadside operator was acting as the insurer's agent – but only while it was doing an hour of work at the roadside or it was taking the vehicle to a repairer.

The policy provided for recovery to the “*nearest available repairer*”. As the insurer only had to choose the nearest, I don't consider that it had to choose the repairer by reference to any other criteria such as which was the least expensive or the best for motorhomes. I don't accept that the repairer would be acting as the agent of the insurer while it was doing a repair in excess of one hour.

The policy terms also included the following:

“Replacement parts dispatch

What is covered:

If replacement parts are needed to repair the insured vehicle, and these are not available locally, we will cover the costs to transport these parts.

What is not covered:

- *any costs incurred from ordering incorrect replacement parts where this is due to insufficient or wrong information being given by you*
- *any actual cost of any parts needed to repair the vehicle*

So, if parts needed to repair the vehicle were not available “*locally*”, then the policy covered costs of their transport.

The claim

From its MOT history, I've seen that the vehicle passed a test in July 2022 with a recorded mileage of about 35,700. There were “advisories” about play in all four wheel bearings.

The vehicle passed a test in July 2023 with a recorded mileage of about 36,900. There were again “advisories” about play in all four wheel bearings.

The breakdown and the need to get help abroad were, in my view, bound to cause Mr W distress and inconvenience.

Insurers must handle claims promptly and fairly.

I don't accept that the insurer was responsible for what happened between Mr W and the repairer. That included:

- work (in excess of one hour) and parts to repair the wheel bearing fault that caused the breakdown;
- additional work and parts to repair the brakes;
- ordering incorrect bearings;

- exceeding the initial estimate;
- refusal to accept payment by card; and
- the absence of an invoice.

Mr W's response to the provisional decision

Mr W says that the MOT tests in 2012, 2013, 2014, 2021, 2022, 2023 and 2024 all had advisories about wheel bearing or steering play. On each occasion, he asked the tester or the garage about getting them fixed and was told each time “ *they are roller taper bearings there has to be a small amount of play in them by design so there is nothing we can do about it*”. Mr W says that if you check a random sample of similar vehicles manufactured before December 2001, you will find that there will be advisories for wheel bearing play on most of them.

I accept what Mr W says about that. I withdraw my provisional finding that he'd passed up an opportunity to get the bearings fixed in the UK.

Mr W says that, when he first contacted the insurer, they asked specifically if he had a credit card with him so he assumed they were appointing a garage that would accept them. He says that the insurer should be responsible for ensuring that anyone they appointed would behave in a fair and ethical way towards someone unfortunate to breakdown in a foreign country.

I've found that the insurer only had to choose the nearest repairer. I don't consider that it had to choose the repairer by reference to any other criteria. So I wouldn't expect the insurer to ask the repairer whether it accepted credit cards. And I don't find it fair and reasonable to hold the insurer responsible for the repairer's behaviour save in respect of an hour of work at the roadside and/or taking the vehicle to a repairer.

Mr W says that as the vehicle was dismantled during the first hour, he was given no option but to continue using the garage the insurer appointed.

I accept the genial point that Mr W didn't have much choice but to continue to use the repairer that the insurer had found. Nevertheless, I don't find it fair and reasonable to hold the insurer responsible for anything other than an hour of work at the roadside and/or taking the vehicle to a repairer.

Mr W says that he didn't give any information to the mechanic, who should have checked the VIN number which would have prevented him from ordering a type of bearing used on vehicles younger than his.

I accept that Mr W didn't tell the repairer what bearing to order. However, the repair could not be completed in an hour at the roadside, so I don't find it fair and reasonable to hold the insurer responsible for the repairer ordering the wrong type of bearing.

Mr W says that the mechanic quoted for a bearing and a CV joint but only the bearing was needed and fitted. He says that he did agree to the brakes being replaced but that cost should have been offset by the joint that wasn't used.

However, the repair could not be completed in an hour at the roadside, so I don't find it fair and reasonable to hold the insurer responsible for the repairer ordering or charging Mr W for a part he considered unnecessary.

Conclusion

As I don't accept that the insurer was responsible for what happened between Mr W and the repairer, I don't find it fair to direct Lloyd's to get an invoice from the repairer.

In any event, I doubt that any such invoice would go into enough detail to identify the cost of transporting the parts to repair the breakdown as distinct from parts to repair the brakes. So I don't find it fair to direct Lloyd's to reimburse Mr W for any costs of transporting parts (or to pay interest on that).

As I don't accept that the insurer was responsible for what happened between Mr W and the repairer, I don't find it fair to direct Lloyd's to pay Mr W compensation for distress and inconvenience.

My final decision

For the reasons I've explained, my final decision is not to uphold this complaint in part. I don't direct Society of Lloyd's to do any more in response to this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr W to accept or reject my decision before 25 August 2025.

Christopher Gilbert

Ombudsman