

## **The complaint**

Miss R has complained that Acromas Insurance Company Limited unreasonably refused to pay her claim under her Parts and Garage insurance policy.

## **What happened**

Miss R bought this policy on 21 October 2024 in connection with her AA breakdown policy. For this Parts and Garage policy, Acromas is the insurer. These policies have a 14-day cooling off period where no claim can be made.

Three days after the expiry of the 14-day cooling off period, so around 6 November, Miss R started her car on her driveway in the morning and heard a loud banging noise with warning lights flashing on the dashboard and the car then filled with smoke.

So as required under the policy, she called AA breakdown, and an engineer attended. He said there was an issue with the turbo and so it needed to be taken to a garage. The garage was nominated by Miss R. The garage told her the head gasket had blown, as coolant was mixing with oil. Miss R was aggrieved this wasn't checked by the AA breakdown engineer when he attended her house.

Acromas decided that since the claim was so near to inception, it should examine the car with an independent assessment to determine if the fault was pre-existing or had developed during the period of cover. The policy would only cover issues that had developed during the period of cover and wouldn't cover anything that might have been pre-existing. It was deemed that the head gasket had failed from wear and tear which meant it hadn't just deteriorated during the period of cover and was in fact pre-existing. Therefore, Acromas wouldn't accept her claim as pre-existing issues are specifically excluded from cover.

Miss R said this independent assessment took several weeks. She also said she had to spend £1,200 for the garage to repair her car from the head gasket issue. Miss R said she found the entire issue exceptionally stressful. She also lost out on earnings, as she couldn't work as she had no car for several weeks.

Miss R said her father had topped up the oil on 4 November and thought he would have noticed if the coolant was mixing in then. So, she felt Acromas was accusing her father of letting his daughter drive around in a car with a blown head gasket. This is something her father would have never done.

Acromas said it dealt with a further claim for a fuel pump issue on 8 December 2024 which was accepted and paid.

So, Miss R said Acromas should pay her £500 towards the repair of the head gasket, plus compensation for the dreadful service she said she received, given AA didn't do enough checks on her car when the engineer first attended.

Acromas didn't uphold Miss R's complaint. It said the delay came from Miss R's garage as

they didn't confirm to Acromas that the engine was ready for inspection until 20 November. It said it then carried out the inspection within seven days which then indicated the issue was pre-existing.

Acromas also said it listened to the call recordings where it told Miss R her claim was declined. It was noted Miss R became extremely distressed and it thought its adviser appropriately signposted her for further help. So, it didn't consider it had done anything wrong.

On that basis Miss R brought her complaint to us. The investigator didn't think Acromas had done anything wrong either.

Miss R disagreed, so her complaint 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.

Having done so, I'm not upholding this complaint, along the same lines as the investigator. I do understand and appreciate Miss R will be deeply disappointed, so I'll now explain why.

First, I will examine what this policy covers. The Insurance Product Information Document (IPID) clearly details Acromas will pay up to £535 per claim subject to payment of the excess of £35 and allows five claims in one year. It doesn't cover claims within the first 14 days of the policy start date. Very importantly it also won't cover costs for repairs that existed prior to the cover being bought. And it's essential that the AA breakdown policy is used first meaning they need to be called to attend the breakdown and advise that the car needs a repair before the Parts and Garage policy then kicks in.

The policy would prefer the car was brought to one of its preferred garages, but it does cover a garage that the policyholder chooses instead. Before the repair can start, Acromas obviously needs to approve the repair and the repair costs.

The policy is clear that it doesn't cover the following:

- 'a. The faults existed prior to the purchase of this cover: or*
- b. The Mechanical or Electrical Failure was caused by faults which You were aware of prior to the start of the journey on which the Breakdown occurred.'*

Miss R correctly called out the AA breakdown engineer when her car started with the banging noise and the warning lights flashing on her dashboard, who said there was a problem with the turbo, and it needed to be taken to a garage. Miss R said her chosen garage said her head gasket had blown which essentially meant coolant had mixed into the oil. Sadly, there is no evidence before me showing what Miss R's garage found precisely, as I understand it was following the requirement from Acromas to have the engine stripped and ready for the inspection by Acromas' independent engineer.

However, from my understanding, a failing head gasket can occur over time when the engine overheats causing it to fail, with older cars being more susceptible to this. The independent engineer's report prepared on behalf of Acromas said the *'reported condition'* was *'engine overheating issue.'* Miss R's car had done over 155,000 miles.

So, I don't believe there had to be any oil leak or coolant leak for this to occur, rather the gasket weakening causes the oil leak and/or coolant leak instead. In any event, there is

evidence to show the oil dip stick was broken which would mean it would be harder to know how much oil was being lost, and how quickly. And I don't believe either Miss R's father or the AA breakdown engineer would have been able to see this from either topping up the oil or coolant or when the car broke down outside Miss R's home. I believe it's only possible to know if the head gasket has blown when the engine is stripped down, and the head gasket was examined.

This independent report said there was a *'breaching on the head gasket on the cylinder head between cylinder numbers 1 and 2'*. It went on to say, *'the failure of the head gasket would be apparent in the form of an increase in coolant temperature and white smoke from the exhaust.'* And *'there also appeared to be oil contamination to the vacuum pump with slight swarf being evident.'* So, until the head gasket could be examined which can only happen when the engine is stripped, no one could have seen it had failed between cylinder 1 and 2. So I don't consider either the AA breakdown engineer or Miss R's father would have been able to see this beforehand.

The independent report concludes that the issue was wear and tear related. It specified that on the *'evidence we consider the fault did not develop in the last journey without progressive deterioration.'* Further it said that *'the gasket failure was developing at [the time of] policy inception.'* It concluded that even if Miss R had got this looked at sooner, it wouldn't have reduced the repair cost amount. I have no other engineering evidence from Miss R to show me that this conclusion might be wrong. So, I've no reason not to accept the conclusions of this report.

So, since Miss R was only effectively just on cover where a claim could be made under this policy, for only three days, I consider it's very likely indeed, on this evidence, that sadly the head gasket had been deteriorating for some time, before Miss R bought this policy. Therefore, under the issues excluded in the policy which I discussed above, this would mean that Miss R's claim wasn't a claim that Acromas could cover under this policy. So, in conclusion, I don't think Acromas did anything wrong in not accepting Miss R's claim.

Given the evidence from Acromas – the initial delay in Acromas getting its own independent report on Miss R's car, appeared to have been a delay at the garage Miss R's car was taken to rather than a delay within Acromas. I have no evidence from the garage though to confirm or dispute this. Acromas said Miss R's claim started on 7 November, but it was not until 20 November that Miss R's garage told Acromas that her car was then stripped and ready for inspection. The independent report was dated 27 November. Consequently, on balance I don't think Acromas overly delayed in dealing with this claim either.

It is always very stressful and exceptionally inconvenient, when your car breaks down, especially when you need it for work as well. However, neither the AA breakdown engineer, Miss R's father or indeed Acromas could have anything to do with the fact the head gasket on her car was starting to fail. These things sadly can happen in older cars and appear to be more prevalent in certain makes of cars also. It appears Miss R's car had done over 155,000 miles although there is some dispute over the exact correct mileage. So as Acromas didn't have anything to do with the condition of Miss R's car before the policy started, it follows that it is not responsible for her head gasket blowing as it did. As the expert engineering evidence shows this was deterioration breakdown, it therefore wasn't covered by the policy, and it would be deemed pre-existing.

Further, Miss R was extremely distressed on the initial call recording when the Acromas adviser told her it couldn't cover her claim. I consider it was appropriate that Acromas made a follow up call to her to check on her welfare afterwards. Having listened to both calls I didn't find anything untoward in how Acromas talked with Miss R, given the extent of Miss R's distress on finding out her claim wouldn't be paid. I do appreciate the matter caused

Miss R some financial hardship consequently, but as the policy doesn't provide for issues which may have been pre-existing, I don't consider Acromas can be responsible for this financial hardship. It has since paid a further claim Miss R made which was deemed to be covered under the policy.

### **My final decision**

So, whilst I do understand Miss R will be very disappointed, for these reasons it's my final decision that I don't uphold this complaint

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss R to accept or reject my decision before 16 September 2025.

Rona Doyle  
**Ombudsman**