

The complaint

Mr T has complained that his insurance broker Adrian Flux Insurance Services Group ('Adrian Flux') failed to extend his European roadside assistance cover which resulted in him not being covered further to a breakdown.

What happened

I issued a provisional decision on this complaint last month. In that decision I said I was considering upholding the complaint and directing Adrian Flux to pay Mr T £150 compensation for the distress and inconvenience it caused him. An extract from that decision follows:

"Mr T said he has been taking out his motor insurance cover through Adrian Flux since 2005. In November 2023 he called Adrian Flux to say that he would be travelling abroad with his vehicle. Adrian Flux told Mr T he needed a "foreign use document" and that his insurance would cover him for no more than 90 days. Cover was arranged between 23 November 2023 to 31 January 2024; a total of 69 days. Mr T was also told his European breakdown cover would cover him for 60 days.

Mr T called Adrian Flux again in January 2024, whilst he was abroad and said that the starter motor was broken and he was waiting for a replacement. He said he didn't anticipate he'd be back by 31 January 2024 and said he wanted to extend his foreign cover. This was extended until 14 February 2024.

On 10 February 2024, Mr T's vehicle suffered a breakdown as a result of which it had to be recovered to a garage for repairs. He said the recovery costs which he had to cover personally were over 2,000 euros.

Mr T called Adrian Flux on 12 February 2024. He said that when he called in January 2024, he asked for his cover to be extended to 14 February 2024, but it seems there was an error which resulted in the breakdown cover not being extended on Adrian Flux's system. So, he asked for this to be rectified. The handler told Mr T that European breakdown cover is for only 60 days but Mr T said he was told this could be extended. The handler said she would look at the price. She said that foreign cover was separate to breakdown cover and that it was a different policy. Mr T said he had assumed that everything had been extended. The handler repeated that they are separate policies.

Mr T then asked how things could be moved forward and the handler said she would get Mr T a quote. The handler said that for extended European breakdown which would include the breakdown Mr T already had it would cost £150 but there was only £51 remaining to pay. She said that this would give Mr T 120 days' worth of cover. Mr T said he'd like that as his

vehicle was being repaired and that he expected to be back in the UK the following week. The handler said that there was no cover for the first 24 hours. The handler also said that the cover would start "from the policy" until renewal. Towards the end of the call Mr T asked if Adrian Flux could get in touch with the company handling the breakdown. The handler said that it couldn't, but the company could get in touch with Adrian Flux instead.

Mr T says that when he tried to claim for the breakdown, he was told he wasn't covered. He said he believed he would be, based on his last conversation with Adrian Flux, but it told him that when the handler referred to the "current breakdown" she meant his UK breakdown cover not the breakdown incident.

Mr T wasn't happy about this and complained. Adrian Flux reviewed the complaint, but it didn't uphold it. It said that by the time Mr T called to extend his European cover it had already expired as he had been abroad for more than 60 days. It added that when he called, he was told it wouldn't start for 24 hours and that it gave no indication that the breakdown which happened two days prior, would be covered. It removed Mr T's extended European breakdown cover and refunded the £51 to him.

Mr T then brought his complaint to us. He said when he called Adrian Flux in January 2024, he wasn't asked whether he wanted to also extend his breakdown cover for an additional premium. He said he was therefore assured that his full insurance package had been extended until 14 February 2024. Mr T added that when he agreed for his breakdown cover to be extended, he was told by the handler that his current breakdown was covered. He also said he believed the non-UK breakdown cover to be entirely separate from the UK breakdown insurance cover. He said he didn't think the additional £51 premium he paid would already include his UK breakdown cover. He also said that the conversation on 12 February 2024 was centred around his existing breakdown and not a future one and he also didn't understand why the handler he spoke to in January 2024 didn't extend his cover as he had asked.

Mr T said he wanted to get back the recovery costs as well as compensation for the delay he experienced in being recovered. He also said he spent hours on the phone trying to sort the situation out which he estimates cost him around 25 euros. He added that he had to pay for a further four days' accommodation at a cost of 248.80 euros but as his insurance policy only covers one day's accommodation, he only wished to claim for 62.20 euros. Mr T also said that he didn't know why Adrian Flux had decided to cancel his European breakdown cover.

One of our investigators reviewed the complaint but didn't think it should be upheld. He felt that the onus was on Mr T to ask for his European breakdown cover to be extended if that's what he wanted. Our investigator also didn't think Adrian Flux advised Mr T that his breakdown had been backdated when he called on 12 February 2024 and he wouldn't have expected it to have backdated it.

Mr T didn't agree and asked for an ombudsman's decision. He said that the precise words used by Adrian Flux induced him to enter into a separate breakdown contract which included the breakdown he already had; which he took to mean the recent incident of his vehicle breaking down.

What I've provisionally 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 T took out his motor insurance for his vehicle through Adrian Flux. This also included breakdown cover, though this is provided as a separate policy and has a separate policy booklet.

When Mr T called Adrian Flux in November 2023, he said he wanted to extend his foreign use cover. The handler said that the cover was for no more than 90 days and that Mr T would have to be issued with a "foreign use document" which had to specify the exact days Mr T would be out of the country. Mr T said he would aim to be back by the end of January 2024. The handler made it clear that though his insurance cover would be for 69 days, his breakdown cover would only be for 60 days. Mr T acknowledged this and said he hoped he didn't break down. So, I think at that point it was obvious that the two policies were treated separately.

When Mr T called Adrian Flux in January 2023, he said he was abroad and that he had some mechanical issues with his vehicle and wanted to extend his foreign cover. I note that Mr T used similar wording to what Adrian Flux had used ("foreign use cover") during their November 2023 call when describing his motor insurance policy. The handler confirmed the system had been updated and that a form would be sent out to Mr T.

Mr T said that he was under the impression that his breakdown cover would also be extended during this call. I appreciate the point Mr T is making but I think, having listened to the November 2023 call, it was clear that the breakdown cover wouldn't automatically be extended alongside the motor insurance cover. And I say this because in the first call the insurance cover was for 69 days but the breakdown cover wasn't automatically extended to cover the extra nine days. And Mr T was aware of this.

I appreciate Mr T might say that he should have been given the option to extend his breakdown cover during the January 2024 call. After all, it appears this would've been an option if he agreed to pay an additional premium. Nevertheless, I am not persuaded that this is something Adrian Flux was obliged to recommend to Mr T at that time. I say this because, according to its terms of business, Adrian Flux will not provide advice or recommendations when it comes to insurance products it offers and the customer would have to make their own decision in this regard. So I don't think Adrian Flux's actions during this call were unreasonable.

When Mr T called in February 2024, after his vehicle suffered a major breakdown, it was understandably clear that he wanted to ensure that he was covered for this event. I think it is clear from the conversation he had with the handler. He was upfront about the fact that his vehicle had broken down, he was under the impression that he had breakdown cover and he wanted Adrian Flux's system to reflect this. The handler did say to Mr T on more than one occasion that the motor insurance and breakdown cover are two separate policies. So I think it was clear at that stage that Mr T did not have breakdown cover when the event happened.

But I think the conversation that followed on from there was not as clear. Mr T said he wanted to know how to move forward and said he was happy to pay an additional premium. I think at that stage the handler could have been clearer with Mr T and explained that cover could not be backdated to cover his existing claim. I think this would have been fair and reasonable and for the policy to cover an existing claim would be highly unusual for this type of insurance cover. The policy itself states that there will only be cover if the vehicle is in good working order and in normal use- which wasn't the case here as Mr T's vehicle had broken down. Instead, the handler proceeded to sell Mr T an extended breakdown policy which was of little use to him at that time. Though she made it clear there was no cover for the first 24 hours, she also said that Mr T was covered from the cover date to the date of renewal which again I think was confusing.

Mr T also said that the handler used the words "which includes the breakdown you already have" which led him to assume that the breakdown incident would be covered. Adrian Flux said the handler meant the breakdown cover Mr T already had, not the incident. I can see why there is confusion here. Ultimately, I think because the handler also clarified that cover didn't start for another 24 hours it was made slightly clearer that she was referring to Mr T's breakdown cover and not the incident he wanted to claim for. I also note that the standard breakdown cover cost £99 and that, according to the handler the extended cover cost £150. This shows that the extra £51 Mr T paid was the difference between the two. I think this further supports that when the handler said this included the breakdown Mr T already had, she was referring to the standard cover which Mr T paid £99 for, which was included in the £150 she'd quoted him. So, on balance, I agree that she was referring to the existing cover and not the incident. But even if she didn't, I don't think it would be fair or reasonable for me to ask Adrian Flux to pay for a claim that Mr T's policy wasn't designed to cover in the first place.

I appreciate that Mr T feels that the handler's statement induced him to enter into a new contract to extend his breakdown cover. Nevertheless, as Adrian Flux has already cancelled the extended cover and refunded him the £51 additional premium he'd paid for it I think it has acted fairly and reasonably and provided an appropriate remedy. Also even if Mr T was induced into entering into this contract I don't think this means that Adrian Flux should pay for his claim- as if the policy had been extended. I don't think its actions were so bad to warrant it having to provide such a remedy. And I say this because I don't think Mr T entering into this contract led to any further detriment, other than being £51 out of pocket. For example, it didn't mean that he went into any further expense, reliant on the fact that he thought he was covered. I appreciate Mr T had some accommodation expenses, but I think those would have been incurred whether he had cover or not.

So, in conclusion I don't think that Adrian Flux was under any obligation to point out to Mr T that he should have asked to extend his European breakdown cover at the same time as his motor insurance cover during the January 2024 call. And I don't think that the February 2024 call meant that his breakdown cover was backdated to cover the breakdown incident or that Adrian Flux's actions mean it should be responsible for its cost. For these reasons I am not considering asking Adrian Flux to compensate Mr T for the cost of the claim or the additional expenses he incurred such as his accommodation and calls.

Having said the above, I think the February 2024 call led to some confusion. And I think this

confusion would have caused Mr T a certain amount of distress and inconvenience. As I said above, I think the handler could have been clearer with Mr T and explained that his cover wouldn't be backdated. Mr T was clear that the purpose of his call was for the incident to be covered. And I don't think the solution Mr T was after was to purchase a policy to cover him for future breakdowns. I think this conversation led Mr T to believe the matter had been resolved, only to find out later that it wasn't. For these reasons, I think Adrian Flux should compensate Mr T for the unnecessary distress and inconvenience this confusion caused him. I think £150 is a fair reflection of this and in line with awards we would make in similar situations.

I appreciate Mr T may be disappointed with my decision. The award I am making isn't what he is after but for the reasons I have given I don't think Adrian Flux's actions warrant me directing it to pay any compensation above what I am considering awarding."

Adrian Flux accepted my provisional decision. Mr T didn't and made some further comments including the following:

- He accepted that it was his obligation to insure he had European breakdown cover and that this wasn't automatically extended after the January 2024 conversation.
- He believed there was a contradiction in me saying that the European and the UK breakdown policies were separate policies whilst also saying that the agent during the February 2024 conversation was referring to the breakdown cover and not the vehicle breaking down. This is because if they are separate policies, he wouldn't be paying an additional premium for a policy he already had, namely the UK breakdown cover. Also, it wasn't possible to extend the UK breakdown policy as it already covered him for 365 days. It follows that the February 2024 conversation was referring to an extension of the European breakdown policy.
- In terms of what the extension was for, this could not have been to cover a future breakdown but to cover the existing breakdown. The handler did say that it covered the breakdown he had already.
- He believes that this is entirely a question of contract. He had paid for cover which expressly included breakdown cover and the fact that the additional premium was refunded is irrelevant.

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'd firstly like to clarify that in my provisional decision I referred to a January 2023 call, but I meant the January 2024 call though I think this was fairly clear from the rest of the provisional decision.

Mr T said that in my provisional decision I agreed with him that the European and the UK breakdown policies were separate and, if that is the case, it wouldn't make sense him paying an additional premium for a policy he already had, and which covered him for 365 days

already (i.e. the UK breakdown cover). In my provisional decision I said Mr T had a motor insurance policy which included breakdown cover. I said the motor insurance and the breakdown cover were separate policies and had separate policy booklets. I didn't say that the UK and the European breakdown cover were separate policies. I hope this makes my reasoning clearer for Mr T.

I think the breakdown policy is one policy which includes UK breakdown and European breakdown cover. The European breakdown cover is limited to trips of up to 60 days. When Adrian Flux extended Mr T's breakdown cover, my understanding is, that it was extending it so the European breakdown cover would be for more than 60 days. And this is why the handler referred to the breakdown Mr T already had i.e. the breakdown policy which includes both UK and (limited) European breakdown cover. And so it follows that I don't think Mr T had a contract which would have covered him for the existing breakdown and that is because his European breakdown cover only covered him for 60 days which had already been exhausted by the time his vehicle broke down.

In any event, as I said in my provisional decision, even if I thought the handler was referring to the breakdown incident and not the breakdown policy during the February 2024 call, which I don't, I don't think it would be fair or reasonable for me to ask Adrian Flux to pay for a claim that Mr T's policy wasn't designed to cover in the first place. As I said in my provisional decision, the policy wouldn't cover a vehicle which wasn't already in good working order.

The rest of my findings remain as they were in my provisional decision and now form the findings of this, my final decision.

My final decision

For the reasons above, I am upholding this complaint in part and directing Adrian Flux Insurance Services Group to pay Mr T £150 for the distress and inconvenience it caused him.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr T to accept or reject my decision before 13 December 2024.

Anastasia Serdari
Ombudsman