

The complaint

Mr S complains about Automobile Association Insurance Services Limited (“AAIS”) and their decision to charge him £75 for roadside attendance. Mr S also complains about the length of time it took AAIS to refund this charge to him, after it was discovered that his two attendances were unrelated.

What happened

The circumstances of the claim are well known to both parties, so I don’t intend to list the events chronologically in detail. But to summarise, Mr S held a breakdown assistance policy provided by AAIS. And at the start of August, he contacted AAIS to claim on this policy on two occasions. But Mr S was unhappy that AAIS asked him to pay £75 for the second attendance. And, how long it then took for this payment to be refunded to him. So, he raised a complaint.

AAIS responded to the complaint and didn’t uphold it. They thought they had acted fairly, and in line with the policy terms, when deciding to charge Mr S £75 for the second attendance at the time. And they thought they were also fair to then refund this, when the two attendances couldn’t be linked. But even so, they paid Mr S £30 to recognise any inconvenience he was caused by the situation. Mr S remained unhappy with this response, so he referred his complaint to us.

Our investigator looked into the complaint and didn’t uphold it. They thought AAIS were fair to charge the £75, considering Mr S had broken down two days prior and hadn’t been able to take the car to the garage as he’d been advised. And they thought AAIS were fair to refund this, when it became apparent the second breakdown was a second issue. While they noted this took a week for the refund to clear, they were satisfied AAIS raised it in a timely manner. So, they didn’t think AAIS needed to do anything more.

Mr S didn’t agree, maintaining his belief the £75 shouldn’t have been charged in the first place. And he referred to the annual fee he paid, and the level of cover he held. As Mr S didn’t agree, the complaint has been passed to me for a 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.

Having done so, I’m not upholding the complaint for broadly the same reasons as the investigator.

I’ve focused my comments on what I think is relevant. If I haven’t commented on any specific point, it’s because I don’t believe it’s affected what I think is the right outcome.

I note it’s not in dispute by either party that, following an engineer’s attendance for the second breakdown on 3 August 2023, it was found that the first and second attendances weren’t related. As this isn’t in dispute, I won’t discuss this in any further detail.

And because of this, I can understand why Mr S would feel as though AAIS acted unfairly when charging him the £75, when he looked back at this decision retrospectively. But crucially, my role is to consider the actions AAIS took and decide whether they were fair, and in line with the terms of the policy Mr S held, based on the information they had available to them at the time they requested the £75 payment.

And at the time of Mr S' call, a second engineer hadn't attended Mr S' car to diagnose a fault. Instead, the only information AAIS had was the confirmation from Mr S that he hadn't been able to find a garage to inspect his car following the first breakdown two days earlier. So, because of this, I think it was reasonable for AAIS to deduce that the work they recommended be undertaken on the car hadn't yet been completed.

So, because of this, at the description Mr S provided about the second breakdown and the warning lights present, I think AAIS were fair to assume that, on the balance of probability, the second breakdown was most likely linked to the issues found in the first breakdown, a few days earlier. And, that these issues hadn't been repaired, as they had recommended.

I've seen the terms and conditions of the policy Mr S held, which I note was a more extensive and expensive level of cover. And within these, I think it explains clearly in both the policy terms, and the IPID documents, that *"the same or similar cause of breakdown attended by us in the previous 28 days"* would not be covered.

So, based on the information AAIS had available to them at the time, I think they were fair to assume Mr S' breakdown fell under this exclusion. And because of this, I think they were reasonable to charge the £75 before they attended. I want to reassure Mr S I listened to the call where this payment was made, and I do think AAIS made it reasonably clear why this payment was needed.

But as I've already explained above, I note it's not in dispute that, on this occasion, the two breakdowns weren't linked. So, the situation Mr S found himself in didn't reasonably fall under this exclusion. So, when AAIS became aware of this, I'd expect them to refund the £75 Mr S paid within a reasonable amount of time. And I can see from the AAIS' system notes that a refund was processed on the same day Mr S paid the £75, and the same day as AAIS attended to his second breakdown. So, I do think AAIS acted fairly here, as I'd expect.

While I appreciate it may have taken some days after this for the payment to clear, I don't think it would be fair for me to hold AAIS responsible for this, as this is most likely down to the banks involved in the refund process. AAIS have confirmed to account for this, they advised their customers that any refund can take up to 21 days to process. It was pleasing to see that it didn't take this long on this occasion.

So, I don't think I can say AAIS have done anything wrong here that I think should lead me to say they should pay Mr S more than they have already. And I note the payment they have made was made as a gesture of goodwill, rather than to acknowledge any error they made. So, because of all the above, I don't think AAIS needed to do anything more.

I understand this isn't the outcome Mr S was hoping for. And I want to reassure Mr S I've considered all the comments he's provided.

But having done so, I don't think I can say AAIS have made an error relating to the complaint issues he raised. I note Mr S referred to the premiums he paid for the policy in his comments to us. If Mr S wishes for any issue about these premiums to be considered by our service, he would need to direct these concerns to AAIS first, for them to respond within their own complaint procedure.

My final decision

For the reasons outlined above, I don't uphold Mr S' complaint about Automobile Association Insurance Services Limited.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr S to accept or reject my decision before 6 February 2024.

Josh Haskey
Ombudsman