

The complaint

Ms Y complains about how UK Insurance Limited trading as Churchill Insurance ("Churchill") has handled her motor insurance claim.

What happened

Ms Y was sold breakdown cover as part of her Churchill insurance policy from 2017. Mr Y says it auto renewed each year since 2017.

Ms Y needed to use her breakdown service for the first time in July 2023. She says when the tow truck arrived the driver wasn't able to advise her on what level of breakdown cover she had, or how she and her family would get back home. So, Ms Y made her own arrangements to get to a place of safety.

Ms Y called Churchill to ascertain the nature of her breakdown cover and was told she needed to contact the breakdown assistance provider for that information. So she contacted her roadside assistance provider who told her she needed to contact Churchill. Churchill eventually told Ms Y she had roadside assistance and onward travel to take her car to a garage within 10 miles.

Ms Y complained to Churchill since she felt she was mis-sold the breakdown cover. Churchill told her it had sent her a policy booklet detailing all the information regarding breakdown cover. Because of Ms Y's neurodivergence she prefers verbal communication and says she would have called Churchill when taking out the policy to discuss the breakdown cover. But Churchill told her it doesn't have those calls any longer.

Ms Y says she was sold an important product and when she needed it the breakdown recovery service wasn't able to discuss her policy with her. She says when her car broke down it was 4.30am and she was unable to access any amenities. Ms Y wasn't happy with the service so she complained and cancelled her breakdown cover.

Ms Y says when she took out the policy in 2017 she would have discussed the breakdown cover with Churchill. And being sent a booklet doesn't absolve Churchill of its responsibility to her. She says she wouldn't have been able to read or retain the information in the booklet. She was unable to use her breakdown cover when she needed it which left her distressed, feeling unsafe, humiliated, scared and having to engage with a man who she felt was a threat.

Ms Y wants Churchill to refund her £44.35 for each year she paid the additional premium for the breakdown cover. Ms Y also wants a refund for the taxi fare of £26, together with £250 she was charged by another breakdown provider which she had to pay to get her car taken to a garage. She also wants compensation for being mis sold the product and hurt feelings.

In response to the complaint Churchill said Ms Y took her policy out online in 2017. Churchill said at the time it was a free level of cover. And since it was taken out online it wasn't mis-sold. Churchill said it sent her renewal documents each year which outlines the terms of the policy, and if Ms Y had any questions about the level of cover she could contact Churchill. It

said since Ms Y hadn't made any contact the level of cover didn't change. Churchill also said any complaints regarding the level of service from the breakdown provider needed to be directed to the provider. Churchill accepted the service provided to Ms Y on the night she broke down was poor and she should have been told about what her cover entailed. So Churchill transferred £100 into her account by way of an apology. Ms Y remained dissatisfied with the response from Churchill so she referred her complaint to the Financial Ombudsman Service.

One of our investigators looked into things for her. She said since she didn't have information on the renewals from 2017, 2018, 2019, and 2020 she was persuaded these had been mis-sold. The investigator said the policy renewals in 2021 and 2022 weren't mis-sold. She said Churchill should refund the premiums paid in 2018, 2019, and 2020 plus 8% simple interest from the date they were paid to the date they're refunded.

Following the view, Churchill provided the investigator with renewal information. On review of the new evidence she said the information for 2019 and 2020 was clear and showed the type of cover provided. So the information given was clear for those years. Churchill wasn't able to give information in relation to the initial sale and the 2018 renewal. But, having seen the subsequent renewals, she was satisfied the 2018 renewal was likely to have been similar. Our investigator agreed it would have been frustrating not being able to get the information needed from Churchill when Ms Y called – but it didn't warrant compensation and overall Churchill had acted in the way she expected. And so, the complaint wasn't upheld.

Ms Y didn't agree. She said the distress from the matter is significant; the vehicle broke down with passengers that were children. She said when she called Churchill for information about her cover it wasn't able to provide it. And she found making the numerous calls distressing. So, the complaint has come 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 the complaint. I'll explain why.

Before I do I think it's clear how strongly Ms Y feels about her complaint. I want to assure her that I've carried out an independent review and considered everything that both parties have submitted. We provide an informal complaints handling service as a free alternative to the courts and this is reflected in the way I've approached this complaint. It's part of my role to identify and concentrate on the core issues I need to address in order to reach a fair outcome – this means I might not mention everything Ms Y has said. But I will comment on anything that makes a difference to the outcome of the complaint.

Ms Y has complained about the service she received from the breakdown provider but that forms part of a separate complaint against the provider, so I won't discuss that part of the complaint here. My remit here is to look at the complaint against Churchill; which is that the policy was mis-sold to Ms Y. And that when she called Churchill for information about the breakdown service it was unable to provide her with the information and she had to make a number of calls to try and ascertain what the level of her cover was.

Telephone calls to Churchill

When Ms Y's car broke down she contacted Churchill to ascertain what level of cover she had and what that entailed. Ms Y was told that in order to get that information she would

need to contact the roadside assistance provider, and so that's what she did. But the roadside assistance provider wasn't able to tell her the level of cover either and referred her back to Churchill.

I can see this would have been frustrating and distressing – to be passed from one business to another in a time of need would have been difficult. And I understand being broken down, during the night with her children, Ms Y was looking for some information and reassurance from Churchill. But it wasn't provided.

When Ms Y complained to Churchill it accepted the service she received during the course of the calls was poor. The handler should have confirmed the policy entitlements and what should be expected. But they didn't. So, by way of an apology Churchill transferred £100 directly into Ms Y's bank account. And I think this is fair and reasonable in the circumstances of the complaint, and in line with the awards we make as a service.

Ms Y has said she hasn't received any compensation from Churchill so I would expect it to evidence to Ms Y that payment has been made and when.

Mis-sale

Ms Y says she was mis-sold her policy.

Ms Y took her insurance policy out through a price comparison website in 2017. She wasn't advised about the product she was taking out, but she chose the company she wanted to purchase motor insurance from.

Because the sale of the property was non-advised I would expect Churchill to provide Ms Y with detailed information about the policy including policy documents, terms and conditions, and the information product document (IPID) I can see from the evidence provided that Churchill provided this information to Ms Y each time the policy renewed.

I would then expect Ms Y to check the details of the policy were accurate and provided the level of cover required for her needs. Ms Y has told us she is neurodiverse and isn't able to review and retain written documentation. But Churchill weren't aware of this, and I can't see anything in the notes to say Ms Y told them. And so I can't say Churchill did anything wrong in sending Ms Y her documents; since it wasn't aware that wasn't the most suitable method of communication for her.

The IPID that is provided with the policy documents provides an overview of the policy. It explains what is insured, what isn't insured, and whether there are any restrictions on cover.

The 2022 IPID says,

“What is insured? Roadside – help at roadside, day or night, recovery to a local repairer.

What is not insured – costs incurred where you didn't contact us

Are there any restrictions on cover “roadside assistance is only if your car is broken down ¼ mile or more from your home or where you usually keep it.”

From the evidence I've seen Churchill sent Ms Y a copy of the IPID when she purchased her policy, and then again at renewal. And the information in respect of what level of cover she had and what the exclusions were was provided to her. So I can't say Churchill didn't make Ms Y aware of the nature of her cover, and I can't say it mis-sold her the policy.

I know Ms Y will be disappointed with my decision. That is understandable given what happened, and I do empathise with the position she finds herself in. However, this doesn't mean Churchill has done anything wrong.

For the reasons I've outlined above I think Churchill has acted fairly in trying to resolve Ms Y's complaint. Therefore I won't be asking it to do anything further.

My final decision

For the reasons given above my final decision is that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms Y to accept or reject my decision before 12 January 2024.

Kiran Clair
Ombudsman