

## **The complaint**

Mr C has complained about AXA Insurance UK Plc's decision to turn down his claim under his Agricultural Vehicle Insurance policy.

## **What happened**

Mr C has said there was a fire in the engine bay of a combine harvester insured under his policy while he was in the process of using it. He repaired it and made a claim under his policy for the cost of doing so. AXA sent an engineer to inspect the combine harvester. He provided a report in which he concluded the damage was due to wear and tear and not fire.

Mr C asked another engineer to inspect the combine harvester. He said the damage was caused by a fire. Mr C provided this report to AXA and complained about their decision to turn down his claim. AXA said their decision to refuse Mr C's claim was correct. So Mr C asked us to consider his complaint.

One of our investigators considered Mr C's complaint and said it should be upheld. He was more persuaded by Mr C's testimony and the report provided by the engineer he'd appointed. The investigator said AXA should settle Mr C's claim in accordance with the terms of his policy and pay interest at 8% per annum on the amount due to Mr C. He also said AXA should pay Mr C £100 in compensation for distress and inconvenience.

AXA does not agree with the investigator's view and have asked for an ombudsman's decision. They believe the evidence supports their view that the damage to Mr C's combine harvester was caused by wear and tear.

## **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've decided to uphold it for largely the same reasons as our investigator.

Mr C's policy covers damage to his combine harvester, but specifically excludes damage caused by wear and tear, mechanical or electrical breakdowns, failures or breakages.

I'm persuaded by Mr C's testimony that there were flames coming out of the engine compartment of his combine harvester and he had to use a fire extinguisher to put the fire out. I also accept his point that AXA's engineer did not look into the engine compartment of the combine harvester from above, so couldn't properly assess what had caused the damage to it.

I prefer the explanation for the damage provided by the engineer appointed by Mr C because he appears to have carried out a more thorough inspection and he has provided a plausible explanation for how the fire occurred and how it damaged the combine harvester. He's suggested the fire started in the engine bay and damaged the main wiring loom and dropped down onto the grease pipes below. He's also pointed out there's damage next to the support

hub where the grease pipes melted, which I can see in the photographs provided. This makes sense to me and, whilst B has said fire doesn't drop down, I think what the engineer means is that debris from the fire dropped down and this caused the fire to spread and the grease pipes to melt.

So, overall, while I appreciate AXA's engineer said the wiring harness overheated and caused damage to the grease pipes and there is no evidence of fire damage, I don't agree. I think there is evidence of fire damage based on the photographs provided, the comments of the engineer Mr C appointed and Mr C's own testimony. This means that – in my opinion – the damage Mr C has claimed for is covered by his policy.

I also agree with our investigator that AXA's incorrect decision to turn down Mr C's claim caused him distress and inconvenience. And I think £100 in compensation for this is fair and reasonable. Mr C should also receive 8% interest from the date AXA turned down his claim to reflect the fact that he has been deprived of funds he should have had since this time.

### **Putting things right**

For the reasons set out above, I consider the fair and reasonable outcome to Mr C's complaint is for AXA to pay his claim in accordance with the terms of his policy. AXA must also add interest at 8% per annum simple on to the payment due to Mr C from the date they turned down Mr C's claim to the date of actual payment. And they must pay Mr C £100 in compensation for distress and inconvenience.

### **My final decision**

My final decision is that I uphold Mr C's complaint and order AXA Insurance UK Plc to do what I've set out above in the 'Putting things right' section'.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr C to accept or reject my decision before 2 August 2023.

Robert Short  
**Ombudsman**