

The complaint

Mr R complains about Advantage Insurance Company Limited (“AIC”) and their refusal to repair his cooling fan as part of the insurance claim he made following his involvement in a road traffic accident.

What happened

Mr R held a motor insurance policy, underwritten by AIC. Unfortunately, in October 2022, Mr R was involved in a multi-car road traffic accident, which damaged his car. So, he contacted AIC to make a claim on his policy.

AIC instructed a separate company to manage the claim for repairs on their behalf. But as this company was acting on behalf of AIC, AIC remained ultimately responsible for their actions, and the service they provided. So, I will refer to any actions taken by this company, and any other involved in the claim process, as though they were made by AIC throughout the decision.

AIC instructed a repairer, who I’ll refer to as “S”, to complete the repairs. And before these repairs were completed, S completed a health diagnostic check, which showed an error with Mr R’s cooling fan. And Mr R wanted this error to be fixed as part of the accident-related damage, as he explained there was no noise coming from the cooling fan until after the accident. S repaired the rear of Mr R’s car but didn’t repair the cooling fan as these repairs hadn’t been authorised by AIC. Around the same time AIC instructed an engineer, who I’ll refer to as “X” to inspect Mr R’s car to decide whether the cooling fan error was accident related. And on 10 November, X provided a report stating their belief the cooling fan error was unlikely to be caused by the accident, due to the low impact damage to the rear of Mr R’s car, and that there was no damage at all to the front. So, AIC didn’t authorise any further repairs to take place.

Mr R was unhappy about this. And it was agreed that a manufacturers report be obtained to again consider the cooling fan error. And the manufacturer themselves provided a report that stated they couldn’t relate the cooling fan error to the damage Mr R’s car sustained in the accident. So, AIC refused to authorise any further repairs. Mr R was unhappy about this, so he raised a complaint.

Mr R didn’t think AIC’s decision was a fair one. He thought his dashcam footage showed that immediately before the accident, there was no noise from the cooling fan. So, as there was a constant noise after the accident, he thought it was reasonable to assume the cooling fan error was caused by the accident. So, he wanted AIC to accept this part of the claim, cover the cost of the repairs, and to compensate him for the upset he’d been caused.

AIC responded to the complaint and didn’t uphold it. They thought they were fair to rely on the engineer’s report they obtained, which couldn’t relate the cooling fan error to the accident damage. So, they didn’t think they needed to do anything more. Mr R remained unhappy with this response, so he referred his complaint to us.

Initially, our investigator was under the impression Mr R’s repairs had been handled on a

credit hire basis. So, they upheld Mr R's complaint, believing the referral hadn't been made clear. But it was then apparent the repairs had been arranged and completed under Mr R's own insurance policy and could be considered by our service. So, our investigators initial view was retracted, and they investigated Mr R's complaint again.

And having done so, they didn't uphold it. They thought AIC were fair to rely on the expert opinions of both X, and the car manufacturer, who stated the cooling fan error was most likely not caused by the accident damage. And so, they didn't think AIC needed to do anything more.

Mr R didn't agree. And he provided extensive comments explaining why, which centred around the dates shown on the fault codes and also what he felt was a lack of service during the claim process. Mr R also provided his own engineer's report he'd obtained since the view was issued, that he wished to be considered.

Our investigator considered this new report, but their view remained unchanged. And they gave AIC the chance to comment on this report, and their position also remained the same. Mr R continued to disagree and so, 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.

First, I want to recognise the impact this complaint has had on Mr R. I recognise Mr R feels strongly that the cooling fan fault present on his car originated after the road traffic accident he was involved in. So, I can understand why he'd expect AIC to repair this as part of the claim he made on his insurance policy. So, when AIC refused to do so, I can understand why Mr R would feel unfairly treated, as in his eyes he was left with a car in a different condition than it was before the accident occurred. And because of this, I can understand why Mr R would raise a complaint and put forward his request to be compensated.

But for me to say AIC should do something more than they have already, for example cover the costs of the repairs need to the cooling fan and compensate Mr R, I first need to be satisfied they've done something wrong. So, I'd need to be satisfied that, when refusing to cover the repair costs of the cooling fan, AIC failed to act in line with the terms and conditions of the policy Mr R held. Or, if I think they did act within these, I'd need to be satisfied they acted unfairly in some other way. And in this situation, I don't think that's the case.

Before I explain why I've reached my decision, I think it would be useful to explain what I've been able to consider and most crucially, how. It's not my role to speculate on what I think caused the fault to Mr R's cooling fan, as I'm not an engineer and so, I'm not qualified to do so. Instead, it is my role to consider the decision AIC has taken and to decide whether I think they acted fairly, based on the evidence available to them. And when doing so, where there are opinions provided that dispute the other, I've had to make my decision based on the balance of probabilities.

I've first considered the main crux of Mr R's complaint, which centres around the cooling fan fault and AIC's refusal to cover the costs needed to repair this.

In this situation, I note Mr R feels strongly that the cooling fan fault occurred after the accident. And I've considered all the information Mr R has provided he feels supports this, including the engineer's report he's provided from August 2023, the dashcam footage, his own testimony and also the findings of a diagnostics report he commissioned in January 2023, even if I don't comment on them specifically.

But I recognise AIC dispute this, and they've provided reports compiled by X, and Mr R's manufacturer. As I've explained above, where both parties are disputing the opinion of the other, I must think about what I think is most likely to have happened, based on the balance of probabilities. And when doing so, it is our service's approach to place most weight on the expert reports that are provided.

In this situation, I've seen both X, and the manufacturer, considered the cooling fan fault against the damage sustained by Mr R's car in the accident. And I think it's worth noting that the bodywork damage to Mr R's car was minimal, with no repairs required to the front of his car. So, only rear repair work was completed. And, that the cooling fan is located at the front of Mr R's car.

Because of this fact, I've seen X stated *"I do not see how the rear end damage could have affected the cooling fan module. After my investigation, I do not feel that the fault is accident related"*. As X is the independent expert in this case, I don't think AIC were unfair to rely on this opinion, as I'd expect any other insurer to do the same.

But I recognise Mr R disputed this. And I think AIC acted fairly by agreeing to obtain another report from the car manufacturer. And it's accepted by AIC and Mr R that the manufacturer also concluded that the cooling fan fault wouldn't have been caused by the accident damage. So, as AIC commissioned two investigations that both stated the fan fault was unlikely to be accident related, I think they acted fairly, and in line with the policy, when refusing to cover the costs of the repairs at this point.

But I do note after these reports, Mr R commissioned two of his own. And I've considered these at length. But I note both the reports were compiled after the rear of Mr R's car had been repaired. And the second was compiled some 10 months after the accident took place. And in both these reports, their findings centre around the fault codes found within the electronic diagnostics.

It's not in dispute that in these code diagnostics, it states the error was first recorded electronically on 7 December 2022. So, I can understand why, as Mr R's accident happened on 10 October 2022, both reports would deem the fault to have occurred after the accident and so, be accident related.

But crucially, Mr R reported an issue with the cooling fan, and the noise it was making, well before 7 December 2022. And AIC have confirmed the fault code reports were wiped during the repair process by S, and so, the date these codes now show only represent the next time the car was turned on. And I think this is most likely the case, as the 7 December 2022 is also the date the manufacturer inspected the car and so, this correlates with AIC's explanation.

So, I don't think the date shown in the fault code diagnostics can be reasonably relied upon to fairly decide when the cooling fan fault most likely began. And because of this, this hasn't impacted the decision I've reached.

I recognise this will be source of frustration to Mr R. And I will say that, in an ideal situation, the electronic diagnostics would be able to show exactly when the fault first arose accurately, and without question. But unfortunately, I don't think that's the case here and I

don't think there is anything AIC could've done to rectify this.

It's also worth noting that the second report Mr R has provided was a significant amount of time after the accident and was based on Mr R's own testimony alongside other supporting documentation. While the report compiled by X, and the manufacturer, were compiled much closer to the accident date and with the car being tested. So, for these reasons and in line with our service's approach, I think it's fair for me to place more weight on these reports.

So, while I appreciate Mr R won't agree, I don't think I've seen any evidence that persuades me that, on the balance of probabilities, the findings of both X and the manufacturer were incorrect. And so, I don't think I can say AIC acted unfairly when relying upon these and deciding not to repair the cooling fan. So, I don't think they need to do anything more here.

I appreciate Mr R is unlikely to agree. And I want to note I've considered all of Mr R's testimony and information he's provided, which includes and is not limited to his belief a third inspection should've been arranged by AIC. But I don't agree, as I think there was nothing to suggest the two opinions they had already obtained were incorrect.

And while I recognise Mr R has also raised concerns about how the companies acting on behalf of AIC identified themselves, I can confirm any company involved in the repair process were ultimately working on behalf of AIC, who held responsibility of the claim overall as the policy underwriter. So, while I've seen no evidence of any company misidentifying themselves, I don't think Mr R's claim was negatively impacted if this had been the case. That being said, I recognise there were several different parties to the claim, including the repairer, engineers, and management companies, so I can appreciate how some confusion may have arisen at times.

So, because of the all the above, while I do recognise the impact that has been caused to Mr R and his clearly strong feelings towards the situation, I don't think I can say AIC have acted unfairly, or outside of the policy, on this occasion. And so, I don't think they need to do anything more.

My final decision

For the reasons outlined above, I don't uphold Mr R's complaint about Advantage Insurance Company Limited.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr R to accept or reject my decision before 18 November 2023.

Josh Haskey
Ombudsman