

The complaint

Mr B complains that Advantage Insurance Company Limited unfairly declined a claim he made on his motor insurance policy.

What happened

On 18 December 2022 Mr B drove his car through a pool of standing water. The next day, as it wouldn't start, 'garage M' (his local dealership garage) examined it. Garage M said water had entered the footwell due to blocked drainage holes and had damaged the wiring below it. Mr B paid over £4,000 for the repairs to be done and then sent the invoice to Advantage. It instructed an independent engineer and consulted a senior in-house engineer. They said the blocked drainage holes were the result of poor maintenance. Advantage said the claim was excluded under the policy, but it offered Mr B £75 for its poor communication with him.

One of our investigators reviewed Mr B's complaint. He said Advantage should pay Mr B £175 for its poor service. He noted that the independent engineer had said the car had less than average mileage and was in good condition. He also noted that garage M had told Mr B that drainage holes weren't checked in a normal service. As he didn't think any of the policy's exclusions applied, the investigator said Advantage should reconsider the claim, in line with the policy's other terms and conditions.

Advantage said Mr B should have been able to check the drainage holes himself - and it provided a video link of the process. It also said there was no evidence of the servicing of the car's air conditioning unit, which would have revealed the drainage hole issue. Our investigator pointed out that one of Advantage's internal notes said checking the drainage holes was an unusually high level of maintenance for a consumer – and that they could have been blocked by items lying in the water the car was driven through.

Later, Advantage said garage M had stated that corrosion to the car's wiring had happened over a long time, and as it was pre-existing, declining the claim was fair. The investigator said the garage hadn't said it occurred over a long period. But Advantage said the investigator's opinion wasn't evidence and it didn't override the engineer's views.

As there was no agreement, the complaint was passed to me for review.

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.

To rely on a policy exclusion, Advantage must show that it applies to the claim. The exclusions cover wear and tear, deterioration, gradual loss or damage, failures, breakdowns, and breakage of mechanical, electrical, electronic or computer equipment. I don't think Advantage has shown that any of these apply in this case. The policy also requires a consumer to maintain their car in an efficient and roadworthy condition and to have a valid MOT certificate if applicable. It says if a car's condition causes or contributes to an incident, the policy cover doesn't apply.

Mr B's car had a valid MOT certificate, and it was serviced by the dealership garage he bought it from. I don't think Advantage has shown that it wasn't maintained efficiently or that it wasn't in a roadworthy state. The independent engineer said its condition was good and made no enquiries about the car. I don't think there's evidence to show that its condition is likely to have caused or contributed to the damage. The only evidence about that is on garage M's invoice - and it only said the drainage holes were blocked.

We normally give great weight to the views of independent engineers. But in this case the independent engineer couldn't see what had happened - as the repair work had already been done - and he relied solely on garage M's invoice. I think the same applies to Advantage's senior engineer. I appreciate that both engineers thought poor maintenance must have caused the damage, but I don't think their opinions alone are sufficient here.

I don't think Mr B (an average consumer) could have been expected to know that the car's drainage holes should be checked. I don't think most average consumers would have known. I've seen the video Advantage supplied and I don't think an average consumer would be confident in following it - or that they'd want to try. So in my opinion, it isn't reasonable to suggest that if a consumer hasn't checked their car's drainage holes, they haven't maintained the car properly. In addition, there's no evidence about when the blockage happened or what it consisted of. I think it's quite possible (as Advantage has acknowledged in its notes) that debris in the water that the car was driven through got into the car on the day of the incident and caused the blockage.

Mr B says he asked garage M about the servicing of the air conditioning unit, and it said it hadn't been done, as it's not part of a normal service. He thinks it didn't propose the extra service due to the car's very low mileage - which fits with some of the guidance I've seen on the issue. Advantage told our investigator it was also reasonable for it to decline the claim as corrosion to the car's wiring had been there a long time. But only garage M saw the corrosion, so Advantage can't say how long it was there, or how extensive it was. I don't think it's clear whether Advantage's suggestion is that the corrosion was due to poor maintenance *and* that it caused or contributed to the damage. But the issue wasn't queried or investigated, nor was it mentioned when Advantage declined the claim initially. And it doesn't seem to be connected to the blocked drainage holes.

In terms of Advantage's poor service, it's clear that due to a lack of contact from it about progress, Mr B had to keep chasing for updates. Advantage asked him for details he'd submitted more than once, and he was given inaccurate information by it, which caused him frustration and confusion. There was a delay in the independent engineer's visit (so Mr B had to delay selling his car) and in getting his report. As I think Mr B faced a fair amount of inconvenience and frustration over several weeks I think £175 compensation is a fair sum.

My final decision

My final decision is that I uphold this complaint. I require Advantage Insurance Company Limited to do the following:

- Pay Mr B £175 compensation for distress and inconvenience
- Reconsider the claim, in line with the policy's other terms and conditions
- Add interest to any settlement sum paid, at the simple yearly rate of 8%, from the date Mr B provided garage M's invoice to the date of the settlement

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr B to accept or reject my decision before 13 November 2023.

Susan Ewins
Ombudsman