

The complaint

Miss B complains that Aioi Nissay Dowa Insurance UK Limited won't take responsibility for the fitting of a telematics box installed for her motor insurance policy. She wants it to reimburse her costs caused because of this.

What happened

Aioi Nissay Dowa's technician fitted a telematics box on top of the battery in Miss B's car. Eight months later, the car lost power and Miss B had to pay £161 for the car to be repaired.

The roadside recovery agent said in his report that one of the battery terminals had come loose and he suspected it was left loose when the telematics box was installed. Aioi Nissay Dowa said this was unlikely to have caused the problem as the fitting had been done eight months earlier. It thought the problem was most likely due to vibration or wear and tear.

Our Investigator recommended that the complaint should be upheld in part. She thought the arguments from both sides were equally compelling. So she thought a fair resolution would be for the costs to be shared and for Aioi Nissay Dowa to reimburse Miss B for half her costs.

Miss B agreed. But Aioi Nissay Dowa replied that the recovery agent's report wasn't a confirmation of the cause of the issue. It said the report's diagnosis should have been confirmed by a qualified technician.

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.

I can understand that having her engine cut out completely must have been a very frightening experience for Miss B. Miss B said her car was repaired by the roadside recovery agent within seconds.

We're not engineers. We don't assess whether or how damage to a vehicle would be caused as this is a matter for the experts in these situations, the insurance companies and engineers. Our role in these complaints is to determine whether an insurance company has considered all the available evidence and whether it can justify its decision to not pay for repairs.

The roadside recovery agent's report said:

"confirm fault cutout complete loss of electrical power when leaving super market car park found negative battery terminal has come loose, reconnected and tested ok suspect was left loose from when black box was installed on top of battery"

The report also states that this is a "suspected diagnosis" that needs to be confirmed by a repairing garage. But, in this case, I don't think that would be reasonable as the fault was easily repaired and the cause was then a matter of likelihood.

The recovery agent was aware of the time since the box had been fitted. He didn't note any faults with the terminal. And I think that if he thought the issue was due to wear and tear, he would have noted this. He made the simple repair and reassured Miss B that the car was now safe to drive.

Aioi Nissay Dowa said the problem couldn't have been due to an issue with the installation as, if this had been the case, the issues should have appeared a lot sooner. It noted that it was eight months since the installation.

But Miss B thought that there was no other reason the battery could have gone flat. She confirmed the car was well maintained, there were no issues reported at previous MOT's and the car was only registered in 2017.

I agree with the Investigator that both arguments are equally plausible. However, I'm not satisfied that Aioi Nissay Dowa can dismiss the recovery agent's report and so justify its decision to not pay for the repairs. But I also agree that the report doesn't definitively say that the fault was solely due to the installation of the box.

So I'm satisfied that a fair and reasonable resolution is for the parties to share the costs of the roadside recovery call-out, on production of evidence for this.

Putting things right

I require Aioi Nissay Dowa Insurance UK Limited to reimburse Miss B for half of the £161 roadside recovery call-out cost, on production of evidence for this.

My final decision

For the reasons given above, my final decision is that I uphold this complaint in part. I require Aioi Nissay Dowa Insurance UK Limited to carry out the redress set out above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss B to accept or reject my decision before 31 January 2023.

Phillip Berechree
Ombudsman