

## **The complaint**

Miss T complains Advantage Insurance Company Limited refused to repair the air conditioning unit in her car following a claim she made on her motor insurance policy.

## **What happened**

Miss T made a claim on her car insurance policy when she was in an accident. Advantage's approved repairers carried out the repair work, but Miss T said when she got the car back, she found the air conditioning wasn't as cold as it had been before the accident. She informed the garage and says they re-gassed the air conditioning unit. Miss T says almost a year later she discovered the air conditioning wasn't cold and returned it again. Miss T says the garage inspected the car and said there was a leak from the condenser. However, Advantage said the leak had been caused by corrosion, it didn't think it was accident related, so it wouldn't cover the cost of the repairs to the air conditioning unit.

Miss T didn't agree and complained, she said the condenser had been replaced less than two years before the incident, but Advantage didn't change its decision. As such, she brought her complaint to our service and said she felt the decision to decline the repairs was unfair as it was based on an engineer's report carried out almost a year after the accident. Miss T doesn't think the report is sufficient proof the air conditioning wasn't damaged in the accident.

Our investigator didn't think the complaint should be upheld. She thought the evidence suggested it was more likely the issue wasn't connected to accident damage or a one-off occurrence. Our investigator thought Advantage's decision not to pay for the further repairs was reasonable.

Miss T didn't accept our investigator's opinion. She says she complained about the issue immediately and had the air conditioning engineer been asked to comment sooner, she thinks the outcome would have been different. She doesn't think Advantage's repairer acted in a timely manner. Miss T also doesn't think there is enough evidence in the engineer's report to prove corrosion was present at the time of the accident.

As an agreement couldn't be reached, the complaint has been passed to me to decide. As per its earlier request, I wrote to Advantage to provide the invoice Miss T sent us showing the condenser in her car had been replaced. I also explained why I thought its decision not to cover the cost of the repairs was unfair. Neither party provide any further comments or information for me to consider.

## **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 this complaint and I'll explain why.

The terms and conditions of the policy exclude:

*“Repairs or replacements unrelated to your claim that improve the condition of your Car”*

This means Advantage is only responsible for repairing damage caused by the accident. Advantage doesn't think the further damage Miss T reported was accident related. So, I've thought about whether it was fair for it not to take responsibility for the damage to her air conditioning. To do this, what I must consider is whether Advantage carried out a fair investigation, reviewed all the evidence available to it and reached a reasonable decision.

Advantage had the car inspected by an air conditioning specialist. It's provided an invoice from them with a brief handwritten note which says the leak from the condenser was due to corrosion. The specialist doesn't indicate whether the issues might have stemmed from damage caused in the accident. Therefore, I'm not persuaded this brief note is sufficient evidence the damage wasn't accident related.

Advantage says its engineer also reviewed the damage and thought the leak in the unit was caused by corrosion. Its engineer states the photographs following the accident didn't show any impact damage to the unit. However, Advantage hasn't shown where the leak it found was in relation to the photographs it provided and there aren't any signs of corrosion in the photographs I've seen.

It thinks the issue was pre-existing and likely down to normal corrosion which occurs over time. It says it's unlikely for corrosion to have occurred in the time between the accident and the specialist's inspection. While I agree corrosion by nature develops slowly over time, its initial report does not suggest there was any pre-existing damage or corrosion to the condenser. Furthermore, Miss T has provided evidence the condenser was replaced prior to the incident and as Advantage itself says corrosion takes a considerable amount of time, I'm not persuaded normal corrosion would have likely occurred in the time since it was replaced.

Miss T says she raised her concerns with the garage on more than one occasion and she says they re-gassed the system twice. I appreciate it says the radiator isn't something that is usually damaged following an accident, but as it had need to re-gas the system on more than one occasion within the year, I think it ought to have been aware there may have been an issue. Even if that was not the case, as Miss T informed the garage that the air conditioning had worked prior to the incident, I would have expected Advantage to have investigated the matter when it was first made aware, but it didn't investigate until almost a year after the accident occurred.

All things considered; I don't think Advantage carried out a reasonable investigation. Because of the length of time that's passed, it's difficult to know whether the issue existed prior to the accident and I'm not satisfied based on the evidence provided, that Advantage has done enough to show it did. Had it investigated sooner; I think it would have been able to better identify whether the problem was pre-existing. Miss T would also have had the opportunity to obtain her own independent report if she didn't agree with its findings. So, I think its decision not to cover the cost of the repairs was unfair.

### **Putting things right**

Miss T should obtain an estimate for the work from a local garage of her choosing and Advantage should cover the cost of the repairs. Alternatively, if Miss T prefers, Advantage could make arrangements to have the repairs completed by an approved repairer.

I also think it should compensate Miss T for the time it took before it investigated the issue and the time in which Miss T was left without an air conditioning system that functioned correctly. Once it identified the problem, I think it would have been upsetting to find out Advantage would not cover this cost. I think £150 compensation is fair in all the

circumstances.

### **My final decision**

For the reasons mentioned, I have decided I uphold this complaint and require Advantage Insurance Company Limited to:

- Cover the cost of repairing Miss T's air conditioning unit. Miss T should obtain an estimate for the work from a local garage of her choosing and Advantage should cover the cost of the repairs. Alternatively, if Miss T prefers, Advantage should make arrangements to have the repairs completed by an approved repairer.
- Pay £150 in compensation.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss T to accept or reject my decision before 19 June 2023.

Oluwatobi Balogun  
**Ombudsman**