

## **The complaint**

Miss S has complained about the decision of esure Insurance Limited, trading as Sheilas' Wheels car Insurance, to decline her claim for damage to her car.

## **What happened**

Miss S made a claim to esure for damage to her car after an engine failure. She said that she had driven through a flooded area of road which had caused the damage.

The vehicle was inspected by esure's engineers and also by an independent expert company. They concluded that there were no signs of water damage which could have caused the engine failure but reported that an unrelated problem with the engine's turbo unit had caused the problem. As a result, esure declined the claim.

Miss S complained to esure about its decision. She said that it had delayed in inspecting the car which had likely dried out in the meantime. Her own mobile mechanic concluded that there was evidence of water in the engine and that this had likely caused the problems. He reported that his own computer diagnostic tests showed no other faults that could have caused the engine to stop and now seize up.

After considering her arguments esure maintained that its expert evidence was clear and the claim should remain declined. It accepted there had been some delays in replying to her complaint so paid Miss S compensation of £100.

Miss S complained to this service and an investigator considered the evidence. Due to being unable to obtain copies of esure's reports the investigator issued an initial view that the complaint should be upheld and awarded Miss S an additional £250 compensation for the distress and inconvenience caused by an incorrect decision by esure to decline the claim. When esure responded to that decision it supplied copies of the reports which it showed had been previously sent to the wrong email address.

The investigator reconsidered the evidence now available from both parties and concluded that esure had acted fairly in declining the claim. The investigator felt that esure's expert evidence was clear and persuasive that the damage was mechanical and not caused by something which could be claimed for under the terms of the policy. The investigator also felt that it was no longer appropriate to award any further compensation to Miss S.

Miss S remains unhappy with that outcome so the case has been passed to me to make 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.

My decision is that I do not uphold this complaint.

I know that this outcome will be a disappointment to Miss S. She believes that her car was damaged by water and has had confirmation from a mechanic that this was the case. I can see from the contact which Miss S has had with this service that the loss of her vehicle has been a major inconvenience and caused financial and emotional stress. But my role is to consider whether esure has dealt with the claim properly and, having considered the balance of the evidence, I'm satisfied that it hasn't acted unfairly and will explain that decision here.

Miss S understands that if her car suffered a mechanical failure then that would be something which isn't covered by her insurance policy. This is explained on page 14 of her policy booklet which includes an exclusion for;

“any mechanical, electrical, computer/software breakdowns, failure, faults or breakages.”

If, on the other hand, some form of accident had caused the damage then that exclusion would likely not be applicable and esure would need to consider the claim under the other terms of its policy. This could include the water damage which Miss S believes caused the problem or hitting a pothole, which I see Miss S told esure had also happened when she went through the flooded area.

When considering a claim the insurer will rely on evidence from its engineers about the damage and what is likely to have caused it. I've considered those reports and they are clear that no trace was found of water damage which included checks of the engine oil and air intake filters. Miss S felt that the car may have dried out due to a delay of some weeks before the car was inspected. That would not be the case if water had entered the oil compartment and the reports also specifically state that there was no sign of water marks in air filters which would have been evident even if the water had since dried up.

When considering the claim esure will understandably rely on the reports which it gets from its experts. Miss S provided two brief notes from her own mechanic. One said that his diagnostic checks had shown no faults other than the water damage which he had identified. The other reported that he had drained the oil tank during a “routine maintenance procedure” and identified water in the oil.

Having considered all of the information available to me, and to esure when considering the claim, I'm satisfied that it acted fairly, relying on compelling and full evidence from two experts in concluding that the damage to the car was due to mechanical failure and in declining the claim under the terms of the policy.

### **My final decision**

For the reasons given above I do not uphold this complaint against esure Insurance Limited, trading as Sheilas' Wheels car Insurance.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss S to accept or reject my decision before 27 November 2024.

John Withington  
**Ombudsman**