

## **The complaint**

Mr and Mrs F have complained that their motor insurer First Central Underwriting Limited ('First Central') turned down a claim they made on their policy.

## **What happened**

In September 2023 Mr and Mrs F made a claim on their policy after their car was damaged after heavy rainfall. They said that they believed the rain entered from below the car and damaged the rear control unit which in turn caused the roof and the windows to open slightly and the rear lights to come on.

First Central arranged for an engineer to inspect the car but the engineer said the damage was down to wear and tear. First Central said the claim was therefore excluded as per the policy terms. An in-house engineer subsequently agreed with the independent engineer's findings.

Mr and Mrs F didn't agree and complained about the claim being turned down as well as about the service they received. They said the engineer who attended to inspect the car was only there for ten minutes.

First Central reviewed the complaint but it didn't change its mind. In December 2023 it wrote to Mr and Mrs F to say that it had asked one of its in-house engineers to look into the matter too and they agreed with the original engineer's opinion. In January 2024 it maintained its decision to repudiate the claim for the reasons given by the engineers including the fact that they had carried out an internet search which showed that there is an ongoing issue with this model of car due to blocked roof drainage pipes or door membrane deterioration. In a separate communication, First Central accepted that its service was poor and paid Mr and Mrs F £300 compensation.

Mr and Mrs F then brought their complaint to us and said they wanted the claim to be covered. They said the car had had its MOT two weeks prior to the incident and passed without issue. They said they weren't surprised the engineer said the claim wasn't covered as First Central didn't want to pay for the claim. They said they spoke to a specialist who told them that the issue with the control unit is common when there is heavy rain fall.

One of our investigators reviewed the complaint but didn't think it should be upheld. He said it was fair and reasonable for First Central to follow the expert evidence available to it which said that the damage was due to wear and tear; something that is excluded under the policy. Our investigator confirmed he hadn't looked into any service issues as those were not addressed in First Central's final response letter which Mr and Mrs F had provided to us. But he said if they did want him to look into those issues, he could set up a new complaint.

Mr and Mrs F then provided their own engineer's report which said that the hood drains were not blocked and that the door seals weren't damaged. The engineers also said that they tested the doors with water and there were no leaks. The engineers said they believed the water ingress was due to the car being parked in standing water. Mr and Mrs F said this supported their assertion that water entered the car from underneath.

First Central reviewed the engineer's report but didn't change its view. It said there were numerous wear and tear defects on the car which implied that it was in an all-round poor condition. It said that Mr and Mrs F's engineer's report didn't state that the damage was exclusively related to flood damage or standing water but that they believed this to be the cause without providing evidence to confirm how this happened.

Mr and Mrs F didn't agree and brought the complaint back to our service.

Our investigator reviewed the complaint once again, with the new information available to him, but he didn't think it should be upheld. He found the reports obtained by First Central to be more persuasive than the one provided by Mr and Mrs F. He said the independent engineer's report was more persuasive as it was provided not long after the incident further to a physical inspection of the car. Whereas the inspection carried out by Mr and Mrs F's engineer was months later. He also didn't think Mr and Mrs F's engineers provided evidence in support of their argument that the damage was caused by the car being parked in standing water.

Mr and Mrs F didn't agree. They said that the independent engineer's inspection was very short. They also didn't think the online search the engineer carried out was relevant. They said that there was a flood in their area and that their engineers investigated the drain tubes and found that they hadn't been blocked. This is something the independent engineer didn't do. They also said that the roof not aligning with the seals was because the water damage forced the roof to try to open which snapped the roof bars.

As there was no resolution, the matter was passed to me to decide.

### **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.

Like most motor insurance policies I am aware of, Mr and Mrs F's doesn't provide cover for wear and tear. It also states that the insured must protect their car from loss or damage.

I don't think there is any dispute between the parties that the damage to the car came from heavy rainfall. The dispute is how the water entered the car and whether wear and tear caused this.

First Central instructed an independent engineer to inspect the car. The engineer said that the left-hand carpet was wet and that there was an error warning on the dash display. The engineer said he carried out internet research and found that this was an ongoing issue with this type of car due to blocked roof drainage pipes or door membrane deterioration allowing

water to come in. The engineer concluded that as the damage was due to water ingress rather than flood damage the claim wouldn't be covered.

In addition to saying that the claim was excluded due to wear and tear, First Central also said that Mr and Mrs F failed to protect their car from loss and damage which went against the terms of their policy.

First Central also asked one of its own engineers to review the matter. The engineer agreed with the independent engineer. The engineer said that the position where the water entered the car is where the control unit is and that the control unit was damaged by the water ingress. He agreed that the cause of the water ingress was related to maintenance rather than a flood. He added that if the rainwater had flooded the interior it would have filled both floor wells and not just one side.

Along with the engineers' reports there was also a photograph of the car which showed that the roof was not aligned with the seals. This was on the same side as the water ingress.

Based on the evidence above, I think First Central's decision to repudiate the claim at that stage was in line with its terms and conditions. And I thought it was fair and reasonable for it to rely on the expert evidence available to it.

Mr and Mrs F have since provided their own engineer's report. The engineer inspected the car in May 2024, several months after the incident. The report states that several parts of the car were not working such as the driver's window, some of the switches including the boot and bonnet switch but those were likely due to the damaged control unit but could also be due to water ingress. Some of the lights were also not working which were standard symptoms of rear body control module failure and that due to water ingress further works may be required. There were also some issues with corrosion including to the break discs and to some of the pipes. In relation to the water ingress, the engineers said that the hood drains were checked and there were no signs of blockages and that the door seals were also checked and there was no sign of damage. The engineers also tested the car with water and there were no internal leaks. The engineer concluded that the water ingress was caused by the car being parked in freestanding water.

First Central considered the report but didn't change its view.

As our investigator said, in these situations where there is conflicting expert evidence, we compare it in order to decide which expert's evidence we find to be the most persuasive. Having done so, I am sorry to disappoint Mr and Mrs F, but I agree with our investigator and also find the evidence of First Central's engineers to be more persuasive than the subsequent report obtained by Mr and Mrs F.

The reports themselves contain more or less the same amount of detail so one doesn't necessarily stand out over the other. But I agree that the independent engineer who inspected the car closer to the time of the incident would probably be able to make a more accurate assessment of the cause of the damage. Also, Mr and Mrs F's engineers haven't really said that the water entered the car from below and damaged the control unit. They said that the water ingress happened due to the car being parked in freestanding water. This doesn't explain where the water came in from or how though I appreciate they have said that

the door seals weren't damaged and that the hood drains were not blocked. But even if they had said that the water came in from underneath the car, I'm not sure how this would explain why the water damage was mainly to the left-hand side. As First Central's engineer said if this was due to flood damage, the water damage would have been to both sides. First Central's engineer was also able to show that the water came in from the left-hand side where the roof wasn't aligned with the seal. And he supported his report with evidence that this is a longstanding issue with cars of this model and age, whereas Mr and Mrs F's engineers haven't provided any supportive evidence.

On balance and for the reasons above I think the damage was due to wear and tear and lack of maintenance as stated by First Central's engineers. For these reasons I think it has acted fairly and reasonably in not covering the claim and also in line with its policy terms and conditions.

Mr and Mrs F said they didn't believe there were any prior issues with the car as it had passed its MOT a few weeks before the incident. First Central's engineer reviewed this and said that an MOT would mainly look at safety critical faults and wouldn't find issues such as the ones identified in the engineer's report. I think this is fair and reasonable and also in line with my understanding of an MOT check.

For completeness I will say that, like our investigator, I have not looked into service issues and I note that Mr and Mrs F haven't asked our investigator to look into those after he issued his first view.

I appreciate that Mr and Mrs F will be disappointed with my decision. It must have been very distressing to find their car in such a state and to later find out that the insurance will not cover it. But for the reasons I gave above, I don't think First Central acted unfairly or unreasonably in the way it dealt with the matter.

### **My final decision**

For the reasons above, I have decided not to uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr and Mrs F to accept or reject my decision before 6 December 2024.

Anastasia Serdari  
**Ombudsman**