

The complaint

A limited company, which I will refer to as G, complains about the decision of The National Farmers' Union Mutual Insurance Society Limited trading as NFU Mutual to decline its commercial vehicle insurance claim.

What happened

The following is intended only as a brief summary of events. G operates as an agricultural contractor. And holds a commercial vehicle insurance policy, underwritten by NFU Mutual. The policy covers risks associated with a vehicle, and any trailer being used by the vehicle.

In April 2024, G was operating its vehicle with a slurry tanker attached. The slurry tanker sucked up a log and this blocked the intake pipe. The tanker then imploded. G contacted NFU Mutual to claim for the damage to the tanker.

NFU Mutual sent an engineer to inspect the damage, and two other NFU Mutual engineers agreed with his conclusions. So, NFU Mutual declined the claim on the basis that the cause of damage was like a lack of maintenance of the pressure relief valve or a faulty valve. And that transporting slurry had corroded the tank internally reducing the thickness of the vessel wall. NFU Mutual said cause of damage fell under the policy exclusion relating to wear and tear.

G disputed this outcome and provided a report from an independent engineer, who I'll refer to as H. H's report said that the walls of the tanker were in good condition with minimal wear. H also said that the valves on the machine appeared in good condition. H concluded the tanker was in full working condition before the accident. G also provided details of the pump attached to the tanker and the pressure this was able to create.

As NFU Mutual did not change its position on the claim, G brought its complaint to the Financial Ombudsman Service. However, our Investigator did not recommend it be upheld. He thought it was more likely than not that the cause of the implosion was wear and tear. And that NFU Mutual had acted fairly and reasonably by relying on the findings of its engineers to decline the claim.

G remained unsatisfied and its complaint has been passed to me for 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.

Having done so, I am not upholding this complaint. I'll explain why.

I should firstly say that whilst I have considered all of the arguments and evidence submitted, I am not going to comment on every point. Instead, I will focus on what I consider to be the key issues. This is not meant as a discourtesy, but rather reflects the informal nature of the Ombudsman Service. Secondly, I should make it clear that I am not an expert in slurry tankers or their operation. In this regard, I am to an extent reliant on the expert reports and similar evidence that has been submitted. The reports from NFU Mutual's engineers and from H do differ in some aspects. In such a situation, it is necessary for me to consider what is more likely than not. In doing so, I have though carried out my own research to provide me with a better understanding.

I need to consider the evidence about the most likely circumstances whilst bearing in mind the terms of the policy. Both parties are aware of these, so I have not set them out in full here. The most relevant term in the policy for the current complaint is that which NFU Mutual has relied on to decline the claim. This states:

"WE will not pay for...

wear and tear, damage caused by or arising from wear and tear, depreciation or loss of use..."

I have noted that NFU Mutual's engineer did refer to the valves on the tanker being faulty. But there is no actual evidence of this. And H's report says that they were in working order. So, I have largely discounted this point.

The main issue at the heart of this complaint is whether or not it was fair and reasonable to for NFU Mutual to conclude that the proximate cause of G's tanker imploding was wear and tear to the tankers walls. It is not disputed that the intake pipe of the tanker became blocked. However, NFU Mutual's position is that this would not have caused the failure of the tanker unless the structure had been significantly weakened by wear and tear.

I do have some issues with the report from NFU Mutual's engineer. G has said that the engineer was inexperienced, but I consider they were suitably qualified – so I have not placed too much weight on this. However, the report does not appear to be based on findings arising from the specifics of the tanker in question. Largely speaking, the report seems to be based on assumption and the engineer's understanding about other claims.

That said, I consider it is fairly uncontroversial to say that a tanker of this nature will suffer wear and tear over time. The physical abrasion of material and the corrosive nature of that material will affect the tank. And the tank will have a natural lifespan. The rate of wear, and hence lifespan of the tank, will vary to a degree depending on a number of factors. But I have borne in mind the evidence from NFU Mutual that indicates the walls of the tanker will lose around 1.65 mm over a ten-year period.

The exact age of G's tanker is unknown. H has indicated it is not as old as the 2000 date initially indicated by NFU Mutual's engineer – which seems to have been based on the age of the pump instead. But NFU Mutual has also said that the manufacturer of this tanker stopped producing them some time ago, and that the likely age is over 15 years. H did not provide any estimation of the age, other than saying it would most likely be less than 25 years. G has referred to a stamp on the wheel of the tanker and said that this suggests an age of around 13 years. But it is not clear that this relates to the age of the tanker.

Given the evidence available, I am persuaded that the tanker was somewhere around 15 years old.

The original thickness of the walls would have been 6 mm. So, using the rate of wear set out above, the walls would have reduced to around 3.5 mm. Quite possibly the rate of wear was less than this. It is not, for example, clear how regularly the tank was in operation throughout its life. And the rate of wear may not have been uniform across the entire tank – some areas may have been worn more than others.

I do note H's report includes measurements having been taken of the thickness of the walls around the point of failure. But these show no wear at all – indeed the values appear to be greater than they would be when new. Not only does it seem unlikely that a tanker would display no wear after so many years, the fact the readings show a greater thickness than when new calls into question how accurate these might be. And I agree with our Investigator that taking an accurate measurement in this location would have been difficult, given the curling of the metal etc.

Ultimately, without an ultrasonic scan, I don't think it can be determined exactly how thick the walls of the tanker were. However, given the apparent age of the tanker, I am persuaded that it is more likely than not that the tanker had suffered wear that reduced the walls of the tank.

The question is, was this reduction in the thickness of the walls the proximate cause of the implosion?

As has been noted, the fact the intake pipe was blocked is not in dispute. G has indicated that the cause of the implosion was the blockage, combined with the pump being capable of creating a higher pressure (vacuum) than the tank was able to withstand. As I say, I am not an engineer nor an expert in slurry tankers though, and it is possible I am misinterpreting G's argument here. But the suggestion is that the pump and tank were not matched and that this could cause implosion.

Much of this argument appears to come down to comments made by NFU Mutual that slurry tanks are designed to withstand a negative pressure, usually in the region of 700mBar. I think there is likely to be some confusion over the various values being used to set out the "pressure" involved in a vacuum.

G has referred to an 800mBar vacuum being 'greater' than this – whereas my understanding is that the lower the positive value, the stronger the vacuum. So, an 800mBar vacuum would be contained by a tank capable of withstanding a 700mBar vacuum.

G has provided comments from a third party, who I understand sells G various agricultural equipment. I note he holds an engineering qualification though. Having seen a copy of H's report, he referred to the specifications of the pump that was fitted to G's tank and said that pump could create a vacuum of:

"is 60inHG -92inHG or 0.4-0.8 bar which in my opinion with an obstruction could cause a tanker to suck in."

These figures do not seem entirely accurate however. It should be noted that a perfect vacuum would only be 29.92inHG, far less than the 92inHG stated above.

The specifications refer to a maximum percentage vacuum of 92%, which is then stated to be 27.5inHG. It seems likely this is where there is some confusion. This mercury (HG) measurement is likely to be in the negative – being the relative pressure. The third party has stated vacuum is not measured in the negative. But whilst that is true for absolute pressure of a vacuum, the reverse is true for relative pressure. That the specification is referring to relative pressure is demonstrated by the mercury measurements decreasing with a lower percentage vacuum – for example with the 60% vacuum having an 18inHG pressure.

Ultimately, it seems the pump would have been capable of producing a maximum -0.93 bar relative pressure.

Looking at specifications of different tank manufacturers, reference is made to the maximum vacuum being between -0.86 and -0.95 bar. Evidence from NFU Mutual also refers to a

pump used on a different tanker having a "max. vacuum" of -0.94 bar, which supports both the general position that this is standard range of maximum vacuum pressures these pumps produce, as well as the notion that the pump would be matched to a tanker of a similar vacuum capability.

Again, it should be noted that these are the relative, negative gauge, numbers. They would – as I understand it – equate to an absolute pressure measurement of around 0.15 to 0.06 bar, or approximately 152 to 60 mBar. These are significantly lower – i.e. a stronger vacuum – than the figures used by both NFU Mutual and G when discussing this complaint. It may be that NFU Mutual's reference to 700 mBar, should actually be "usually in the region of 70mBar". This would sit within this range of vacuum pressures noted by other manufacturers. Or there may be some confusion over the use of absolute vs relative vacuum pressures.

My discussion above is largely to try and provide some clarity on where there may be some confusion and disagreement between the parties. However, this is based on my – admittedly – very limited understanding of physics and engineering. So, it is possible my conclusions here are wrong.

However, regardless of the general numbers referred to, there is no actual evidence of what the slurry tank in question was actually limited to in terms of its vacuum capability. The NFU Mutual comment uses the term "usually" and makes no statement on G's specific tank. And the report from H also does not comment on the vacuum limits of the tank. And, even ignoring the apparent issues with G's third-party's interpretation of the specifications, it is not clear what he used to determine that the vacuum the pump might achieve would result in an implosion of the tank in question.

So, whilst it is possible the pump was not matched to the tank, there is no real evidence to confirm this.

Taking everything into account, I think the tank was most likely around 15 years old. And its use as a slurry tank would have resulted in wear and tear. The exact extent of this wear and tear is unknown. But I am persuaded that it is more likely than not that the proximate cause of failure in the tank was this wear and tear. That this was highlighted by an external event – the blockage of the intake pipe – does not mean that the policy exclusion does not apply.

It follows that I consider NFU Mutual acted fairly and reasonably in applying the exclusion and so declining the claim, and I am not able to ask it to do more in the circumstances.

My final decision

My final decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask G to accept or reject my decision before 17 April 2025.

Sam Thomas **Ombudsman**