

## **The complaint**

Mr G has complained about DAVIES MGA SERVICE LIMITED. Davies provides a black box which, in line with Mr G's car insurance policy, is fitted to his car. Mr G incurred costs when the box developed a fault.

## **What happened**

Mr G holds an insurance policy which requires him to have a data collection device – “black box” – fitted to his car. This gathers information about how Mr G drives. The box Mr G had when the policy renewed in 2023 was plugged into the car's battery. In May 2023 Mr G's car wouldn't start. He had to call for roadside assistance, at a cost. This happened twice more, the third time after Mr G had bought a new car battery. He paid an auto-electrician to test the battery, they suspected it was being drained by the box. Mr G spent a total of £231.

When Mr G contacted Davies, it sent him a new box that didn't need to be plugged in. But said, having spoken to the box manufacturer, that the box was unlikely to have been at fault. In saying that it noted it had been in use for some time without issue and that the auto-electrician hadn't said the problem was 'most likely' caused by the box.

Mr G was unhappy. Not least because he was out of pocket. He later advised he'd also lost some earnings (£75 on two days) and suffered what he felt was significant inconvenience, all due to the faulty box. Mr G brought his complaint to the Financial Ombudsman Service.

Following contact from our Investigator, Davies said it had made further enquiries with the box's manufacturer. The manufacturer had identified a remote software update which had occurred just before Mr G experienced the issues with his car. The update had meant the box would never 'sleep' so it was constantly drawing from the car's battery. Davies said it would cover all of the costs Mr D had incurred, with interest added. It said it would also pay £150 compensation for the inconvenience caused.

Our Investigator felt that offer was fair, noting the offer of £150 was in line with our guidance on compensation awards for upset caused. When she put the offer to Mr G though, he said he did not think it was fair. He said Davies had initially been obstructive and dismissive. He said it hadn't looked to help him or properly investigate the issue at all. He said he'd lost the chance to earn the two days' wage and he hadn't been able to attend a job interview either – meaning he'd missed out on an opportunity to work abroad for several months. Mr G said there'd been time spent dealing with garages and also writing emails to challenge Davies to try and ensure he was not left out of pocket. He said he would accept compensation of £750.

As an agreement on redress could not be reached, the complaint was referred for an Ombudsman's 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.

As this is an informal service I'm not going to respond here to every point or piece of evidence Mr G and Davies have provided. Instead, I've focused on those I consider to be key or central to the issue. But I would like to reassure both that I have considered everything submitted.

Davies has now accepted that the box Mr G had likely caused an issue with the battery of his car. It's unfortunate the manufacturer wasn't able to tell Davies that before. I think, had it done so, Davies would have put forward an offer of resolution which may well have persuaded Mr G that he did not need to progress a complaint.

However, Davies did not have that detail at the time Mr G made his complaint. Davies assessed the complaint on the basis of the detail it did have. And the only expert evidence available, other than the manufacturer's comment, was that of the auto-electrician. I'd expect any insurer, to review any expert evidence fairly. But, in doing that, it would also be reasonable for an insurer to weigh up what it thinks that available evidence shows 'most likely' occurred. And the auto-electrician here said they "suspect" the box might be draining the battery. I can see why Davies didn't find that expert's view very persuasive evidence of what "most likely" happened.

As Mr G has explained though, there was other circumstantial evidence to factor in. Details, such as the fault not re-occurring after the new non-plug-in box was provided. Which Mr G thinks means Davies' assessment was wrong. With the new detail from the manufacturer then supporting Mr G's assertion that the box was at fault. So Davies got it wrong and because of that Mr G was out of pocket for longer than he should have been and he also went to the trouble of making his complaint. I can see why that was frustrating for Mr G.

However, this Service does not seek to punish financial businesses for getting things wrong. And nor are any awards we make meant to be punitive in nature. Further, it is not part of our role to require a business to change its processes and procedures. When a business does something wrong, or doesn't provide fair and reasonable redress to put right something which went wrong, then we'll look at what happened and decide what is needed, in that particular situation, to fairly and reasonably resolve matters.

Here, in terms of what Mr G spent because of the problems with his box – £231, Davies has agreed to reimburse that. It's agreed to pay interest on the sum too. The interest will make up for the fact Mr G has been left without this money. I'm satisfied that is fair and reasonable redress to resolve that element of Mr G's financial loss.

Mr G has also said he missed out on two days' wages. As well as a job interview.

We can't know what the result of the job interview would have been had Mr G made it there. And whilst it might be that Davies' box was the cause of Mr D not being able to drive his car to that appointment, I'm not persuaded, where he chose to not attend because of that car trouble, I can fairly blame Davies for that.

My view regarding the wages is similar. Mr D has said he was to be taken to that job in a minibus – but chose not to attend because his car hadn't started and he wanted to resolve that problem. I'm not sure why, if Mr G was not using his car to attend that job, he was trying to start it that day. However, what Mr G has said is that, on both occasions he was due to work, he prioritised resolving the issue with his car over attending the job. I appreciate Mr G was in a difficult position – but where he chose to lose wages, instead of mitigating the situation by earning the wages and fixing the car the following day, I can't reasonably blame Davies for the financial loss which occurred.

I note in terms of compensation for inconvenience, Mr G has said he would like £750. That is a reduced sum from that Mr G initially asked for of £1,000. I note that our Investigator shared with Mr G our guidance on awards of this nature. She explained that awards of around £1,000 would usually be made in circumstances where the failure of the business caused a serious disruption to daily life over a sustained period. Whilst I don't doubt the inconvenience Mr G was caused – his daily life was not affected. And this did not occur over a sustained period. The first incident of the car not starting occurred on 17 May 2024, with Mr G disconnecting the box and asking Davies for a replacement on 24 May 2024. Mr G has confirmed that he did not experience any issues with his car again. I note Mr G did then complain to Davies and this Service, but I also note that Mr G has not always handled his own complaint directly.

In the circumstances here, I'm satisfied that £150 compensation is fair and reasonable. As our Investigator also said, if Davies had maintained no offer of compensation at all, £150 is the sum this Service would always likely have awarded to Mr G, or any complainant experiencing similar circumstances.

### **Putting things right**

I require Davies to pay Mr G:

- £231, as a total sum for the costs Mr G incurred for roadside assistance, buying the new battery and instructing an auto-electrician.
- An amount equal to interest\* applied against each sum that makes up the £231, from the date Mr G incurred that individual cost until the above payment is made.
- £150 compensation.

\*Interest is at a rate of 8% simple per year and paid on the amounts specified and from/to the dates stated. HM Revenue & Customs may require Davies to take off tax from this interest. If asked, it must give Mr G a certificate showing how much tax it's taken off.

### **My final decision**

I uphold this complaint. I require DAVIES MGA SERVICE LIMITED to provide the redress set out above at "Putting things right".

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr G to accept or reject my decision before 3 April 2025.

Fiona Robinson  
**Ombudsman**