

The complaint

Mr B complains that West Bay Insurance Plc (West Bay) has unfairly declined his motor insurance claim.

What happened

Mr B held car insurance through West Bay. Around April 2023 Mr B noticed scratches on his car so made a claim under the policy. West Bay accepted the claim, and the repairs were completed at the end of July 2023. But shortly after leaving the repairing garage, the car broke down. So, Mr B called West Bay to make a claim. He said the engine failure was likely the result of water ingress after driving through a large puddle or because the engine had overheated due to insufficient coolant levels by the repairing garage. Mr B took the car to a local garage for further inspection.

The local garage identified a split in the coolant hose and fitted a new pipe to rectify the issue. And on 12 October 2023, the car passed its MOT. However, after driving back from the MOT the car broke down again. And it was taken back to the local garage for a further inspection. On review, the head gasket had blown due to the engine overheating.

In October 2023 Mr B called West Bay to progress the claim. And in November 2023, an independent engineer was appointed to inspect the car to identify the cause of the damage. The engineer concluded the damage was the result of a mechanical failure but couldn't determine the cause of the fault. He suggested a follow-up inspection to assess the engine.

But this didn't happen. And in January 2024, West Bay declined the claim. It said the damage was the result of a mechanical failure and something not covered under the policy.

Mr B complained. He maintained the damage was the result of an ingress of water into the engine, causing it to fail. He also said that as a result of West Bay's delay in progressing the claim and its failure to adequately store the car, there's now further damage that needs repairing.

West Bay considered Mr B's concerns. It acknowledged some of the service it had provided to Mr B was poor and it offered him £150 for the trouble and upset it had caused. It later increased this amount to £250 to resolve the dispute.

Mr B remained unhappy, so he asked this Service to consider the complaint. Our Investigator looked into things and thought the complaint should be upheld. He was satisfied the damage caused to Mr B's car was the result of an accident and should be covered under the policy. He said West Bay should refund Mr B the costs he paid to repair the engine. Our Investigator acknowledged Mr B's concerns about the additional damage caused to the car but felt it wasn't something he could consider as it didn't form part of Mr B's original complaint to West Bay.

Our Investigator felt the service West Bay had provided to Mr B wasn't of the level it should have been, which caused undue trouble and upset. He said West Bay should pay a further £350 in compensation.

Mr B accepted our Investigator's findings. West Bay disagreed. It maintained the damage to Mr B's car was the result of a mechanical failure and something not covered under the policy. So, it asked for an Ombudsman's decision and the case has been passed to me to decide.

I issued a provisional decision on Mr B's complaint. This is what I said about what I'd 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.

I'd like to reassure the parties that although I've only summarised the background to this complaint, so not everything that has happened or been argued is set out above, I've read and considered everything that has been provided.

I should also state that it's not the role of this service to assess the damage to a car nor to actually establish the cause of any damage. My role is, in this case, to determine whether West Bay reached its decision on Mr B's claim fairly and reasonably.

It isn't disputed that Mr B's car has been damaged. It also isn't disputed the policy he has with West Bay provides cover in the event of damage to the car. This issue is whether West Bay has fairly and reasonably concluded the damage falls under one of the exclusions within the policy, which in this case says West Bay won't cover damage caused by mechanical failure.

In July 2023, Mr B's car broke down. He took it to a local garage who identified a split in the coolant hose. The hose was replaced, and Mr B's car went on to pass its MOT. But after leaving the MOT bay it broke down again. And after a further inspection at Mr B's local garage, it was confirmed the head gasket had blown causing engine failure.

Mr B believes the engine failure is the result of an ingress of water, either from a large puddle he drove through just before the car stopped working in July 2023, or because of a lack of coolant caused by the previous repairer just before the car was returned to him. And he's provided evidence from his local garage and the engineer who went on to dismantle the engine (after the claim was rejected) that there was water present in the engine.

I've carefully considered Mr B's comments. And while I appreciate his feelings on the matter, I'm not persuaded it was an ingress of water that led to the engine failure. I don't dispute water was later identified in the engine after it was dismantled but both Mr B's local engineer and West Bay's in-house engineer seem to agree this amount of water would have prevented the engine from starting and thus stopping it from passing its MOT. But Mr B's car did pass the MOT, so it seems unlikely the water later identified in the engine was present at the point the MOT took place.

West Bay's repairers who completed the original repairs to the scratches found on Mr B's car have also confirmed it didn't inspect or carry out any remedial work to the coolant tank. I find that likely as it was only appointed to complete aesthetic work to the car. And in any event, I've been presented with no compelling evidence to show it was West Bay's garage that caused any coolant failure.

Instead, on balance, I think the water later identified was the direct result of the head gasket blowing, and not something present beforehand. So, I don't think it was an ingress of water, either by low coolant levels or because of the puddle, that led to the engine failure.

I've thought carefully about the remedial work Mr B's local engineer completed before the MOT took place. And whether the coolant hose split that was identified was a result of an ingress of water. But I also find that unlikely. That's because the independent engineer who inspected Mr B's car confirmed "the mention of the radiator coolant hose having blown off as a result of water ingress is extremely unlikely..." As these comments were provided by a suitably qualified engineer who visually inspected the car, I find them persuasive. And as I've seen no compelling evidence from a similarly qualified engineer to dissuade me otherwise, I'm of the opinion the damage to the coolant hose was caused by something other than an escape of water.

Although I accept Mr B's car was in a good condition for its age and mileage, I'm aware it has over 100,000 miles on the odometer. And as there seems to have been an issue with the coolant hose that wasn't caused by an ingress of water, it leads me to believe on balance, there was other issues with the engine, or that the coolant hose split, or what caused it to split was the cause of the damage. I appreciate West Bay didn't complete the follow-up investigation as per the independent engineer's recommendations, which I'll discuss more later, but I'm aware Mr B's car has undergone a series of inspections since. And there's been no conclusive diagnosis on what caused the head gasket to blow. With this in mind, I don't think it was unreasonable for West Bay to conclude the damage Mr B is claiming for was the result of a mechanical breakdown. It follows, I don't intend to direct West Bay to cover the costs to repair the engine.

Customer service

Mr B says West Bay didn't arrange to inspect the car as quickly as it should have done. And after he notified it of the engine failure in July 2023, it didn't arrange to inspect the car like it agreed to do. It seems to me there was some confusion on what the next steps would be. And I appreciate Mr B's point of view that he was waiting for West Bay to collect the car. But I've listened to the calls Mr B had with West Bay around the time the car stopped working and I don't agree he was informed the car would be collected. Instead, Mr B agreed for his local garage to inspect the car and report back to West Bay if necessary.

On 20 October 2023, Mr B called West Bay. He explained his garage was unable to fix the issues, so he wanted to progress the claim. I think this demonstrates Mr B was trying to repair the car independently in the first instance without West Bay's involvement. That didn't happen so he called it back to progress things, which isn't unreasonable. But I can't say the delays between July 2023 when Mr B first prompted West Bay of the damage until October 2023 when the claim was logged are the result of West Bay's Actions.

Once the claim was made, West Bay appointed an independent engineer who inspected Mr B's car at the beginning of November 2023. In making a decision on a claim like this, we would expect an insurer to rely on the conclusions of an expert. So I don't think its decision to appoint an independent engineer is unreasonable. But we would expect an insurer to correctly apply the findings in such a report. In this instance the report didn't make a conclusion on the actual cause of the engine damage. Instead, it recommended further investigations. West Bay had an opportunity to carry out such investigation but decided not to. But it seemed to reassure Mr B it would.

I have sympathy for Mr B's complaint about poor communications from West Bay and the delays in progressing matters. He's particularly unhappy about its decision not to follow the instructions of the independent engineer. I haven't detailed everything here – but I've considered everything Mr B has said about the impact on him. Our Investigator previously recommended West Bay pay an additional £350 on top of what it offered Mr B - making the total amount of compensation £600. Overall, I'm satisfied that's a suitable sum to recognise the substantial distress and disappointment West Bay's delays and poor communication caused. It follows, I'm minded to direct West Bay to pay Mr B £600 in compensation.

Mr B has said the delays in progressing the claim and the way the car was stored during West Bay's consideration of the claim has caused additional damage to the car. He says the car was exposed to bad weather and there's been an ingress of water into the boot causing damage to the battery, and damage to the interior. He's provided photos that support this.

Our Investigator said this wasn't an aspect of the complaint this Service could consider. He said Mr B hadn't raised these concerns to West Bay directly and felt it was entitled to consider this complaint in the first instance. And if Mr B remained dissatisfied with its response, he could refer a new complaint to this Service. However, I disagree. Mr B's complaint to West Bay related to its overall claims handling. And I think its delays in progressing matters, and the impact this had on Mr B fell under the scope of this complaint. So, I'm satisfied I can consider Mr B's allegations of consequential damage as a result of West Bay's handling of things as part of this decision.

In doing so, while I accept Mr B's car has incurred further damage, seemingly due to the way it was stored during the claims process, I don't think this is the direct result of West Bay's actions. Although I accept West Bay didn't progress the claim as quickly as it should have done, I'm aware the car was stored at a local garage and not one appointed by West Bay. As such, West Bay had no involvement in how the car was stored, nor was it responsible for the garage's actions. So, while I sympathise with Mr B's position, I'm minded not to ask West Bay to cover the costs to repair the additional damage.

My provisional decision

For the reasons I've set out above, subject to either party providing more information, I am minded to require West Bay Insurance Plc to pay Mr B £600 in compensation for the trouble and upset caused. I intend to make no further award.

Responses to my provisional decision

I invited both West Bay and Mr B to respond to my provisional decision. West Bay accepted my provisional decision, but Mr B disagreed. I've summarised his response below.

Mr B maintains the engine failure is the result of an ingress of water. So, he continues to believe West Bay should accept the claim. He also says West Bay didn't progress the claim as quickly as it should have done. And its delays in progressing things led to undue trouble and upset and it meant he didn't have use of the car during this period.

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.

I've thought carefully about Mr B's submissions. Whilst I appreciate Mr B feels strongly that the damage to the car is the result of an ingress of water, either by driving through a puddle or because of the actions of the previous repairer, I've seen no additional evidence that persuades me to depart from what I set out in my provisional decision. So, for the reasons set out above, I don't think it was unreasonable for West Bay to conclude the damage Mr B is claiming for was the result of a mechanical failure. And as that's not something covered under the terms of Mr B's policy, I don't think it acted unreasonably when it declined the claim. As such, I'm not directing it to cover the costs to repair the car.

Mr B also says West Bay didn't progress the claim as quickly as it should have done and it didn't arrange for the car to be inspected until November 2023, around four months after he

first notified West Bay of the engine failure in July. He says this delay led to undue trouble and upset and it meant he didn't have use of the car during this time.

However, as I set out in my provisional decision, I listened to the phone call Mr B had with West Bay in October 2023. During this call he says he'd taken the car to a local garage to have the repairs completed privately as he didn't want to claim through his policy. But the repairs didn't resolve the issues with the engine, so he wanted to claim under the policy. Whilst I appreciate Mr B's point of view on the matter, I don't think West Bay were aware Mr B wanted to claim for damage to the car until October 2023. And I don't think it made him aware it was going to collect the car before then. So, I don't think West Bay caused any delays in progressing things between July and October 2023.

Mr B says West Bay caused further delays in progressing the claim as it failed to act on the recommendations of the independent engineer to dismantle the engine. And because of this, he says it didn't collect the car and take it to one of West Bay's approved repairers like it should have done. Its failure to do so led to further damage to the car.

As I set out in my provisional decision, I don't think it was unreasonable for West Bay to appoint an independent engineer to assess the damage to Mr B's car. But I would expect it to follow and implement the findings in such a report. In this case, that didn't happen. But it reassured Mr B it would. Instead, the car remained at Mr B's local garage longer than it needed to. And I think this caused undue trouble and upset over and above what I'd expect to see during a normal claims process.

Mr B's car sustained further damage due to the way it was stored. I understand why Mr B feels West Bay should cover these costs. But the car was stored at a local garage not one appointed by West Bay. West Bay had no involvement in how the car was stored, nor was it responsible for the storage. As such, while I accept West Bay caused delays, which would have caused upset and frustration to Mr B, I can't say its responsible for the damage later sustained to Mr B's car. It follows, I'm not asking West Bay to cover the costs to repair the additional damage.

In response to my provisional decision, Mr B provided a detailed summary of the impact West Bay's actions had on him. I won't disclose everything here – but I've considered everything that Mr B has told me. Having considered Mr B's comments I maintain that West Bay's actions not to act on the recommendations of the independent engineer's comments and its delays in progressing the claim caused substantial distress and inconvenience to Mr B. As such I think West Bay should pay a total amount of £600 in compensation in recognition of the trouble and upset caused.

Mr B says he didn't have access to the car throughout the claims process. So, he had to finance a car privately. And he's provided evidence of this. Mr B says West Bay should cover the costs he incurred due to the delays it caused. However, Mr B has only provided a copy of a finance agreement from June 2024, after West Bay declined the claim. As Mr B has only shown evidence of a finance agreement after the claim was declined, which I'm satisfied West Bay did fairly, I can't say it should cover these costs as he would have always needed to arrange alternative transport while he repaired the car privately. And I don't think West Bay's actions have led to a financial loss like he says it has.

Mr B explained the finance agreement he sent us was a second agreement he had to arrange due to problems with the first car he arranged on finance. He says he changed cars (and agreements) a year after he had the first car, which means he likely arranged the first finance agreement around July 2023, the same time his car broke down. And if that is the case, it was before Mr B logged the claim with West Bay. So, I can't say West Bay's actions in delaying the claim led to this loss. In any event, he's not provided evidence of when the

first finance agreement started or the loss he incurred as a result of West Bay's actions. It follows, I'm not directing West Bay to do anything further.

In summary, whilst I appreciate Mr B's comments regarding the decision I've made, I don't think they materially change the outcome of this complaint, or my direction for putting things right. So, I'm directing West Bay to resolve this complaint as I've set out in my provisional decision.

My final decision

My final decision is I uphold this complaint. I direct West Bay Insurance Plc to pay Mr B a total amount of £600 in compensation for the trouble and upset caused.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr B to accept or reject my decision before 19 March 2025.

Adam Travers
Ombudsman