

## **The complaint**

Mr A complains about Advantage Insurance Company Limited (Advantage) declining a claim under his motor insurance policy.

Any reference to Advantage in this decision includes their agents.

## **What happened**

In August 2024 Mr A drove over a wooden plank in the road. Immediately afterwards, he noticed a noise from his vehicle when turning at slow speed. The vehicle was still drivable, and no warning lights came on. He took his vehicle for inspection to a local main dealer (OM). They advised that while further inspection was necessary, the problem could be with the front or rear differentials of the vehicle. A further inspection would cost some £1,100 with potential repair costs of up to £11,000 (depending on what the inspection revealed).

Given the potential repair costs, Mr A then contacted Advantage. Hastings engaged a firm (V) who arranged for the vehicle to be inspected by an engineer. The engineer took the vehicle to OM. Mr A was subsequently told the issue was deemed to be the result of wear and tear, so wouldn't be covered under the policy. However, Mr A was concerned the vehicle was then returned to him with warning lights illuminated, indicating it would fail an MOT test.

Mr A refused to take back the vehicle and complained to Advantage, saying the vehicle had deteriorated whilst in Advantage's care. Nor did he believe the issue was due to wear and tear, particularly as the issue arose immediately after driving over the plank. He wanted his vehicle restored to its pre-accident condition.

Advantage didn't uphold the complaint. In their final response, issued in October 2024, they said their engineers had advised the issue with Mr A's vehicle was due to wear and tear, which didn't appear related to the incident with the plank. So, any repairs weren't covered under the policy and so wouldn't be authorised. The engineers could not see any damage other than to the engine undertray beneath the vehicle and wouldn't expect any internal damage to any other component if there were no marks to the outer casings. To replace the engine undertray would cost less than the policy excess, so Advantage concluded they weren't liable for that repair to the vehicle.

Unhappy at Advantage's final response, Mr A complained to this Service (November 2024). He'd been without his vehicle since August 2024, having a small courtesy car which was too small for his family needs (so he returned it after a couple of weeks). He said his vehicle's condition had deteriorated as a direct result of Advantage's actions and even had the issue with his vehicle not been covered by the policy, it should have been returned to him in the same condition as before its collection. He wanted Advantage to cover the cost of repairs to restore his vehicle to its pre-accident condition, including its deterioration whilst with them.

Our investigator didn't uphold the complaint, concluding Advantage didn't need to take any action. From the evidence available, including from Advantage's engineers, there was no visible damage other than to the engine undertray and damage wasn't expected to any other component in the absence of marks to the outer casings. So, she concluded it was

reasonable for Advantage to conclude any such damage wouldn't be related to the incident with the plank and was most likely to result from wear and tear. The policy specifically excluded cover for wear and tear, deterioration or any loss or damage that happened gradually. Online research by the engineers also indicated it was a common issue reported by owners of the vehicle model. On the additional warning lights on the vehicle, the investigator didn't think Advantage could be held responsible for these. On the courtesy car issue, she noted the policy terms provided a courtesy car to be a small (Group A) vehicle.

Mr A disagreed with the investigator's view and requested that an ombudsman review the complaint. He said when he took his vehicle to OM before he contacted Advantage, there were no warning lights illuminated. This remained the case until the vehicle was collected by V. But the vehicle was returned with multiple warning lights illuminated, indicating a clear deterioration in the vehicle's condition while in the custody of Advantage (or their agents). OM confirmed they had fixed the warning lights before collection by V. Mr M believed this issue should be considered separately to the issue of wear and tear which Advantage had cited to decline to cover repairs to the vehicle.

### **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 role here is to decide whether Advantage have acted fairly towards Mr A.

The two key issues in Mr A's complaint are, firstly, their decision to decline his claim for the damage (the issue) he noticed after driving over the plank. Advantage say the issue was due to wear and tear and not the incident with the plank. Their engineers say the damage affected the engine undertray and without damage to outer casings, there wouldn't be damage to other components. The cost of replacing the undertray would be less than the policy excess. Mr A maintains the issue arose directly after driving over the plank.

The second issue is what Mr A maintains is the deterioration in the condition of his vehicle whilst in the care of Advantage (their agents). He says the vehicle was returned with multiple warning lights illuminated which weren't there when the vehicle was collected by V. He says these warning lights mean the vehicle would fail its MOT. Advantage say there's no evidence the issue with warning lights was their responsibility.

A further issue concerns the courtesy car provided by Advantage, which Mr A says was too small for his family needs, so he returned it. However, looking at the policy terms and conditions, they specify (under a heading *About the replacement car service*):

*"...The replacement car will usually be a group A vehicle, such as a Ford Ka..."*

This makes it clear the courtesy car won't be a 'like for like' vehicle to the insured vehicle (in Mr A's case, his vehicle was a large SUV-type vehicle). So, I've concluded Advantage acted within the policy terms and conditions.

Coming back to the first issue, the damage to Mr A's vehicle he says was caused when he drove over the plank, I've looked at the various reports and opinions of the garages and engineers. After the incident running over the plank, Mr A said there was a noise when turning. Initial inspection at OM indicated potential differential issues but would require further diagnostics and potentially expensive repairs. The initial inspection was included in an invoice from OM, which states they were unable to confirm the knocking noise reported by Mr A but they did notice a drive train issue between the front and rear differential and transfer box unit, which would require strip down and further investigation (at a cost of

£1,104). At that point Mr A contacted Advantage and the vehicle was collected by V for inspection.

The vehicle was initially inspected at a repair centre (M) and Advantage's claim notes record their engineer, having reviewed images of the vehicle underside when initially inspected, concluding there was damage to the engine undertray but no other damage. They say they wouldn't expect internal damage (to the differentials) or to any other component without marks to the outer casings. This conclusion was reached by the initial inspecting engineer and reviewed by Advantage's in-house engineer, who concurred.

Given the potential mechanical issues, the vehicle was then taken to the main dealer (OM) for further inspection and investigation. This didn't change Advantage's view that any potential damage (beyond the undertray) was likely a result of wear and tear, rather than the incident with the plank.

Taking these points together, I've not seen anything to indicate the noise reported by Mr A indicated damage that could clearly be attributed to the incident and concluded it was reasonable for Advantage to decide any issues were more likely to be the result of wear and tear. The policy terms exclude cover for damage from wear and tear, deterioration or things that happen gradually, so I've concluded it was reasonable for Advantage to decline the claim (given that the only apparent damage was to the engine undertray, the cost of which to repair was less than the policy excess).

On the second issue, the warning lights Mr A says were present on the vehicle when it was returned to him, he maintains when his vehicle was returned to him by V (after they had taken it to OM) there were three warning lights illuminated, which he says weren't present when V collected the vehicle for inspection. Looking at V's case notes, they mention the garage (OM) contacting Mr A to say there were three warning lights illuminated (service light, 4 wheel alignment fault and EST traction control light) and the same noise present as originally reported by Mr A.

There's also an invoice from OM, dated September 2024, which includes various checks and tests carried out, which includes reference to "*...carried out checks for warning lamps and stored faults cleared*". Mr A has provided a link to a video taken by OM of their inspection of the vehicle. But looking at the video, it only covers the underside of the vehicle and the condition of the tyres, brakes and suspension, it doesn't mention any warning lights or images of the vehicle dashboard. Mr A also says OM confirmed to him they fixed the warning lights before handing the vehicle back.

Taking all these points together, I've concluded there isn't sufficient evidence to conclude Advantage can be held responsible for the warning lights, so I won't be asking them to take any action.

### **My final decision**

For the reasons set out above, my final decision is that I don't uphold Mr A's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr A to accept or reject my decision before 25 June 2025.

Paul King  
**Ombudsman**