

## **The complaint**

Mr S complains Liverpool Victoria Insurance Company Limited trading as Allianz (LV) unfairly declined to settle his claim on his motor insurance policy.

LV are the underwriters of this policy i.e. the insurer. Part of this complaint concerns the actions of the intermediary. As LV have accepted it is accountable for the actions of the intermediary, in my decision, any reference to LV includes the actions of the intermediary.

## **What happened**

Mr S made a claim on his motor insurance policy after a leak from his sunroof caused damage to the electrics in the car.

LV organised for the car to be inspected to determine the cause of damage. The damage was found to have been caused by water entering the car through the sunroof cassette due to a failed seal or blocked drain-holes.

LV said the amount of water in the car indicated the damage had occurred over a period of time. It excluded his claim under the terms of his policy which refer to mechanical or electrical failure and also under his contractual responsibility to take care of his car. Mr S said the damage was purely accidental, caused by a sudden pipe blockage. He said the parts at fault were non-serviceable, and the incident was unforeseeable and unpreventable.

Because Mr S was not happy with LV, he brought the complaint to our service.

Our investigator didn't uphold the complaint. They looked into the case and said based on the reports from the engineers it appears the damage was caused by a lack of upkeep of the car and the damage was caused over time and not a one off event. They believed LV's decision to not cover the damage was fair.

As Mr S is unhappy with our investigator's view the complaint has been brought to me for a final decision to be made.

## **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 saw Mr S took his car to the main dealer when he had issues starting it. It was found that water had got into the engine of the car through a leak in the sunroof. Mr S then made a claim on his motor insurance policy on 16 November 2024. He said a hairline crack in the sunroof had allowed water to get into the car which had caused damage to electrical components.

The car was inspected by the main dealer, and by LV's engineer shortly after. Both found the leak wasn't due to a hairline crack, it was due to a failed seal or blocked drain-holes in the sunroof cassette. The main dealer report included details of the damage which included

evidence of oxidation to some parts in the car engine. In this case the cause of the damage is not in dispute. The dispute that needs to be resolved is, if this is covered under the terms of Mr S's motor insurance policy.

LV said the water leak wasn't covered under the terms of his policy. It said due to a number of corroded elements in the engine being found, this indicated the issue had been present for some time and could've been prevented with maintenance. It said the risk was excluded under the terms of his policy which refer to mechanical or electrical failure, and also under Mr S's contractual responsibility to take care of his car.

I looked at the terms and conditions of the policy and it says;

*"What isn't covered under sections 1 (Damage to your car) and 2 (Fire and theft)*

- wear and tear, your car losing value, or for any repairs that have made the condition of the car better than it was before the loss or damage happened;*
- mechanical, electrical, electronic or computer failures (including failure caused by hacks, viruses or malware), breakdowns or breakages;"*

And in the insurance product information document it says;

*"What is not insured?*

*Wear and tear including tyres and brakes".*

I recognise Mr S feels because the sunroof drainage pipes aren't a serviceable item he had no way of knowing there was damage occurring. LV said even though these don't get checked during a service they still need checking and cleaning regularly.

I haven't seen any evidence that the blockage in the pipes was caused by a one-off event, The evidence provided indicates there was more than a minor leak, and it must have happened over a period of time to cause the corrosion found. I saw Mr S said the excess water damage occurred whilst the car was stationary for an extended period, awaiting diagnosis and assessment by LV. He said this had contributed significantly to the excess water collected in the footwell.

Damage to the car electrics was identified prior to Mr S making a claim on his motor insurance policy, because he took it to the main dealer when he had issues starting it. Mr S reported the damage to LV on 16 November 2024, and its approved partner made attempts to contact him to recover the car, but he didn't answer the calls due to them being from unknown numbers. Mr S made contact with LV again on 20 November 2024 and it advised him to contact its approved recovery partner himself. The car was then collected, and LV's inspection took place on 4 December 2024. LV rang him on the same day with its decision not to accept his claim for damage. I've not seen any avoidable delays being caused by LV.

Based on the evidence I have seen, I'm persuaded LV's decision to not cover the damage to the engine of Mr S's car was made fairly and reasonably, and in line with the terms and conditions of his motor insurance policy.

Therefore, I don't uphold Mr S's complaint and don't require LV to do anything further in this case.

**My final decision**

For the reasons I have given I don't uphold this complaint.

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

Sally-Ann Harding  
**Ombudsman**