

The complaint

Mr Q complains Bapchild Motoring World (Kent) Limited trading as Big Motoring World (“Bapchild”) has declined a claim he made under a motor warranty policy.

What happened

Mr Q’s car broke down. The crankshaft damper pulley (“CDP”) had catastrophically failed causing damage to the auxiliary belt, alternator, and coolant hose.

Mr Q made a claim to Bapchild under the motor warranty policy he held with it. Bapchild declined the claim on the basis that the CDP contains a rubber ring which had deteriorated over time and therefore suffered from wear. It explained the policy has an exclusion for damage caused by wear.

Bapchild also said that Mr Q drove the car for some considerable time after the wear to the CDP would have been evident, through vibration of the car and abnormal noise. It said the subsequent damage caused is far greater than it would have been had he not driven it.

Mr Q complained to Bapchild, but it didn’t alter its position.

An Investigator here considered the complaint. She explained to Bapchild she thought the complaint should be upheld because it hadn’t applied the wear exclusion in a fair and reasonable way. She said Bapchild hadn’t been able to demonstrate that the CDP had reached the end of its expected usable life.

However, the Investigator also explained that she did think Mr Q would have likely been aware the CDP was failing and as he continued to drive the car, he contributed to the damage caused.

To put things right the Investigator thought Bapchild should cover the costs to repair the CDP only – as this would have been the limit of its liability had Mr Q acted promptly. She said that in declining the claim outright, Bapchild had caused Mr Q distress and inconvenience and should pay him £200 compensation.

Bapchild disagreed with the investigator’s view and asked for an Ombudsman to review the complaint. It reiterated there’s no set duration for how long a CDP should last. But due to wear and tear, high temperatures, exposure to coolant or engine oil, the rubber ring can become damaged. It said it was correct to decline the claim due to the wear exclusion under the policy.

The case has been passed to me to decide.

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 agree with the conclusions reached by the investigator for the following

reasons:

- The policy is designed to cover breakdown of the mechanical and working electrical components of the car. It does however have an exclusion relating to damage caused by wear. That is, damage caused by repeated usage, and which has not developed suddenly in car's last journey.
- I recognise that all moving parts to a certain extent will suffer a degree of wear and tear with use. However, it is the normal approach of this service that for an insurer to fairly rely on such an exclusion it must also be able to show that the part in question has reached the end of its expected serviceable life. i.e., that its failure was reasonably foreseeable.
- Here Bapchild has not provided information about the expected lifespan of a CDP. Nor has it drawn attention to any reasonable actions which should have been undertaken by Mr Q which would likely have drawn his attention to the potential imminent failure of the CDP.
- In the circumstances of this case, the breakdown of the CDP would have been unexpected and unforeseen to Mr Q. In light of this, and what I have set out immediately above, I don't think it would be fair or reasonable for Bapchild to rely on the exclusion it has.
- Bapchild has provided engineering evidence which suggests the failing of the CDP would have been evident to Mr Q within the last 2,000 miles that he had driven. This would likely have presented itself through vibrations and abnormal noise. I'm persuaded therefore that it was more likely than not Mr Q would have been aware that something was wrong with the car which needed investigating. Had he of then acted promptly, I'm persuaded Bapchild would only have needed to cover the cost of replacing the CDP rather than the more extensive damage that was caused to other parts by its subsequent catastrophic failure. I think it's fair and reasonable that it only now covers the cost of the replacement of the CDP.
- Mr Q has said that due to his car being out of use he had trouble commuting. So he has outlined some inconvenience that was caused to him. By not accepting the claim as I believe it should have done, Bapchild have contributed to the inconvenience Mr Q has suffered. Because, he could have been in a different position and made different choices about the repair of the car earlier. To reflect this, I think Bapchild should pay Mr Q £200 compensation.
- Mr Q has raised concerns about how the policy was sold to him. To be clear I haven't considered this here. Mr Q will need to make a separate complaint to the party responsible for the sale of the policy.

Putting things right

To put things right, Bapchild should do the following:

- Pay Mr Q, less any applicable excess, what it would have cost it to replace the CDP, plus 8% simple interest. This is to be calculated from the date the claim was declined until the date Bapchild makes the payment.
- Pay Mr Q £200 compensation.

My final decision

My final decision is that I uphold Mr Q's complaint against Bapchild Motoring World (Kent) Limited trading as Big Motoring World. I direct it to put things right as I have set out in the section above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr Q to accept or reject my decision before 19 December 2024.

Alison Gore
Ombudsman