

## **The complaint**

Mrs S complains about how Helvetia Global Solutions Ltd handled and settled a claim she made under a furniture protection policy for accidental damage to a sofa.

## **What happened**

Mrs S purchased a leather sofa from a company, which I'll refer to here as "S" on 22 July 2020. At that time Mrs S also purchased a furniture protection policy. This policy is provided by Helvetia; it commenced on 17 October 2020 and expires on 16 October 2025.

On 18 June 2023, Mrs S said damage was caused accidentally to her sofa. She said the rivets on jeans had caused scuffing to a sofa seat cushion. Mrs S reported this damage to Helvetia. It states it was notified of the damage on 21 July 2023.

On becoming aware of the damage, Helvetia instructed an engineer to attend at Mrs S' property and inspect the damage to her sofa. The engineer attended Mrs S' home on 27 July 2023 in line with Helvetia's instructions.

Initially, the engineer informed Helvetia that the damage observed was inconsistent with a one-off event of damage as there were multiple scratches on both seats of the sofa, which was in keeping with an accumulation of damage over a period of time. So, on 28 July 2023, Helvetia notified Mrs S that it had declined her claim.

Mrs S challenged Helvetia's repudiation decision and provided additional information about how the damage had occurred. Helvetia revisited its decision and told Mrs S over the telephone on 31 July 2023 that it would accept her claim.

After accepting the claim, Helvetia asked Mrs S to provide it with a sample of leather from an inconspicuous location. It suggested Mrs S take a sample from the underneath of the sofa. Mrs S sent a sample of the leather from the underneath of her sofa as requested.

After receiving the sample Mrs S had sent it, Helvetia contacted S to obtain leather to match the sample provided. Further engineer visits to Mrs S' home took place on 8 August 2023 and 12 September 2023 to undertake a repair.

Mrs S said she was provided with a new cushion cover. But she wasn't happy with this as she said the leather that had been used to make the replacement cushion cover didn't match the leather elsewhere on her sofa because the new leather was different in colour, finish and texture.

Helvetia provided another replacement cushion cover but Mrs S expressed dissatisfaction with the quality. She still thought the colour, finished and texture of the leather that had used to repair the damaged cushion was different to the leather that had been used to originally upholster the sofa. She said the cushion wasn't matching and she was unhappy she'd experienced delays in the progression of her claim and poor communication about the status and progress of her claim. So, she complained.

Helvetia investigated Mrs S' concerns and issued its final response to her complaint on 24 June 2024. It didn't uphold her complaint about the quality of the repair undertaken as it explained it had used the closest match leather it could to the original appearance of the sofa. But it upheld her concerns about delays in progressing her claim and the lack of communication. It offered to pay her £50 in compensation to recognise the poor service she'd experienced.

Being dissatisfied with Helvetia's response to her complaint, Mrs S asked our service to investigate what had happened. Our investigator assessed this complaint and empathised with Mrs S. But they didn't recommend upholding her complaint about the quality of the repair Helvetia had undertaken. They thought it had acted reasonably and provided the closest match of leather possible. But they thought the compensation Helvetia had offered to pay Mrs S was unfair given the poor communication and delays in progressing the claim. They recommended that it increase the compensation from £50 to £200.

Helvetia agreed with our investigator's view of this complaint and thought the increase in compensation was fair in the circumstances. But Mrs S disagreed and asked an ombudsman to decide her complaint.

### **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 read and considered all the information provided by Mrs S and Helvetia, but I'll concentrate my decision on what I think is relevant to decide the complaint. If I don't comment on any specific point it's not because I've failed to take it on board and think about it, but because I don't think I need to comment on it in order to reach what I think is the right outcome.

My role is to assess whether I think Helvetia made a mistake, or treated Mrs S unfairly, such that it needs to now put things right. And, having thought carefully about everything she and Helvetia have said, I'm afraid to say that I've reached the same conclusions as our investigation reached in their view of this complaint. I appreciate Mrs S will be disappointed by this outcome. But I hope she can understand the reasons behind my decision.

I'm sorry to learn of the difficulties Mrs S experienced after she notified Helvetia that she wanted to make a claim under her policy. It's clear from the information she's provided our service that she's unhappy with the way in which Helvetia dealt with her claim. And I can see that she feels that the repair that was undertaken was substandard.

This service is an informal dispute resolution service. When considering what's fair and reasonable, I'm required to take into account a number of matters, which include relevant law and regulations, regulators' rules, guidance and standards, codes of practice, the terms and conditions of any insurance policy and, where appropriate, what I consider to have been good industry practice at the relevant time. I'm not limited to the position a court might reach.

The first parts of Mrs S' complaint relates to whether Helvetia undertook a proper repair of her sofa. So, I'll address that part of the complaint first.

Mrs S' policy with Helvetia covers her for damage to her sofa where it has been caused by accident, staining or structural defects. Helvetia accepts that the cushion cover was accidentally damaged here.

The terms of Mrs S' policy with Helvetia set out how it settles claims. The terms state:

*“Valid claims will be settled by cleaning, repairing or replacing the damaged product. If a repair can be made, it must be considered prior to a replacement being considered.”*

Here, Helvetia chose to repair the damaged cushion rather than to settle the claim in any other way. I'm satisfied that this approach is in line with the policy terms and conditions.

Mrs S disputes that the leather provided was a suitable match. So, I have to decide whether Helvetia has provided a repair solution to Mrs S that's in accordance with the policy terms.

The policy terms state that where leather is replaced the replacement may not appear an identical match. They say:

*“Over time the colour, shade and appearance of your product is likely to change and therefore in the event new covers are required we will supply parts based on the original appearance of your product. Wherever possible we will try and limit any differences, but our liability is to repair the product based on the original specification.”*

I've thought very carefully about the submissions from both Mrs S and Helvetia and I've considered the photographs provided of the sofa, damaged cushion and repaired cushion. Having weighed up all the evidence, I'm satisfied the leather used to repair the damaged cushion was the same as the leather that had been used to upholster the sofa when it was made. I'll explain why.

As I explained in the background to this complaint, Mrs S' sofa is now over four years old. The leather doesn't look the same as it would on brand new item. This is because leather is a natural material. So, its appearance will change in terms of its shade and texture with use, age and wear and tear.

I accept that the leather that Helvetia used to replace the damaged cushion may not have been a perfect match. The new leather will likely have looked and felt a little different to the appearance of the leather that was used to upholster Mrs S' sofa. But this is due to what I've already said about leather being a natural material, which means its appearance will gradually change over time.

Mrs S has provided photographs which she contends support her argument that the replacement cushions are lighter in colour to the rest of the sofa. But, like our investigator, I'm not persuaded there's a colour difference from the images she's provided.

Mrs S believes that the leather used to replace the damaged cushion is matt while the rest of her sofa is glossier. However, as Helvetia informed her, shine will build up with time and usage. I know that Mrs S disagrees with what Helvetia has told her. But I'm not minded to disagree with what it said here. The explanation is plausible and it's in keeping with the comments I've seen from other insurers where similar concerns have been raised in relation to differences in leather following a repair.

I'm satisfied it's reasonable to say that new leather will be matt when new – as Mrs S's sofa was when purchased. I also think that the cause of the shine on the rest of her sofa is due to wear and tear and the general aging process. And I can't direct that Helvetia replaces all the leather on the sofa to ensure there's no colour and texture difference because the policy excludes damage caused by wear and tear, which is in keeping with most policies of this type.

I can understand why Mrs S may wish her cushion to be repaired in a way where the finish is identical to the rest of her sofa. But that isn't possible here; it would mean Helvetia would

have had to use leather of the same age and with the same wear and tear of the rest of Mrs S' sofa.

Our service wouldn't expect an insurer to use worn leather to repair a sofa. This is because worn leather wouldn't have the same structural integrity as new leather and Helvetia wouldn't be able to guarantee the quality of the replacement leather if worn material had been used.

Even though Mrs S may not feel the colour and texture of the repaired cushion matches the rest of her sofa, I'm satisfied that Helvetia has provided the closest possible match it can. I say this because it contacted S and sourced a replacement leather cushion cover using the unique order number, batch information and colour code from the sofa. This information was provided to ensure that the replacement cover was made from the same leather as the leather that was used to upholster the sofa when it was made. I'm satisfied Helvetia has taken all possible action in order to fulfil its obligations under Mrs S' policy in providing a repair.

Helvetia provided evidence to our service showing the new leather against an unworn sample of leather from Mrs S' sofa. I'm satisfied this demonstrates that the leather used is a very close match. The new leather closely represents the original appearance of the sofa and this adds credibility to the argument that the new leather will change in colour and texture with use and time. I'm persuaded that, with the passage of time, the new cushion will show the age-related changes that can be seen on elsewhere on Mrs S' sofa. So, the appearance of the new leather will be more in keeping with the older leather.

For the reasons set out above, and based on the evidence I've seen, I'm satisfied that Helvetia repaired Mrs S' damaged cushion appropriately and using leather that was a match to the original appearance of the sofa. It's fulfilled its requirements under the policy and I'm therefore not intending to uphold this aspect of Mrs S' complaint.

I'll turn now to the second part of Mrs S' complaint, which is about the way in which her claim was progressed and the poor communication she received about the status of her claim.

From the business records that Helvetia has shared with our service, I can see that, while it didn't confirm in writing that it had accepted Mrs S' claim until 28 November 2023 it informed her this was its intention on 31 July 2023. This explains why two engineer visits to progress the claim took place in August and September 2023.

Based on the records I've seen, it appears there was some delay in the progression of Mrs S' claim following the engineer's visit in August. I understand that Helvetia was awaiting information from the engineer before it could move the claim forward. I can also see that there were delays to the progression of Mrs S' claim that were caused by illness or difficulties with the health of family members. While I can appreciate why Mrs S may have had to put her claim on hold at these times, I can't fairly hold Helvetia responsible for those delays.

Having carefully considered the chronology of Mrs S' claim, I'm satisfied that there was a delay of around four months which was unnecessary and caused by Helvetia. This delay caused the claim to become protracted and it doesn't appear that there was proactive communication from Helvetia to update Mrs S regarding the cause of delay or when a resolution to the claim would be provided. I'm persuaded that this constitutes poor service, which will have caused distress and inconvenience to Mrs S.

I'm pleased to see that Helvetia has accepted responsibility for some of the delay in the handling of this claim. I say this because it upheld this part of Mrs S' complaint and offered to pay her £50 compensation for the trouble and upset that poor service had caused. As I

explained in the background to this complaint, our investigator didn't think that the compensation offered was fair or reasonable and recommended that it was increased to £200. So, I've thought about what a fair resolution to this part of Mrs S' complaint looks like.

When deciding what potential compensation to award I must take two things into account: financial loss as a result of any business error and non-financial loss, including inconvenience and upset.

Mrs S hasn't shared any evidence to show that she incurred a financial loss as a result of what happened. So, I can't make a compensation award here that covers financial loss.

When considering awards for non-financial loss there isn't a set formula that we use to calculate awards for particular errors. It's my role to consider what impact the business' actions have had on the consumer and to decide, within guidelines set by our service, whether compensation would be appropriate in the circumstances.

It's clear that Mrs S was caused trouble and upset as a result of poor communication and delays in the progression of her claim. She was inconvenienced by what happened and I don't doubt she would've been frustrated.

I'm satisfied that an award of compensation is appropriate to reflect the inconvenience Mrs S experienced. And, having taken into account the trouble and upset Mrs S is bound to have experienced here, I'm satisfied that £200 is a fair amount of compensation that's proportionate to what happened. It's in line with our approach in similar scenarios and it's what I would have directed Helvetia pay if no recommendation had been made.

In the overall circumstances of this complaint, I'm satisfied that the compensation our investigator recommended is fair and reasonable. I haven't seen enough evidence to persuade me that a higher award is warranted here. So, I'm not intending to increase the compensation recommended by our investigator in their view.

### **Putting things right**

Helvetia should pay Mrs S an additional £150 in compensation to resolve this complaint (taking the total amount to £200).

### **My final decision**

My final decision is that I uphold this complaint in part. To resolve this complaint Helvetia Global Solutions Ltd should pay Mrs S an additional £150 in compensation to resolve this complaint (taking the total amount to £200).

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs S to accept or reject my decision before 13 January 2025.

Julie Mitchell  
**Ombudsman**