

complaint

Mr and Mrs G are unhappy with UK Insurance Limited's ("UKI") proposed settlement of their claim for accidental damage.

background

Mr and Mrs G discovered a crack to the woodwork of their French doors following the attendance of the manufacturer to fix the locking mechanism. The doors had been fitted less than a year before the damage was discovered.

UKI appointed a contractor to inspect the damage. They considered that it could be repaired by filling the crack. Mr and Mrs G did not agree and they arranged a quote from the manufacturer for the replacement of the damaged woodwork. This was significantly more involved as it required the removal and transportation of the doors and thus was more expensive.

It is unknown what caused the damage, although UKI accepted that the claim amounted to accidental damage and was covered by the policy. The technician sent out by the manufacturer denied that he caused the damage and the manufacturer refused to cover it, under what we are told is a 50 year guarantee.

In recommending the repair to the crack, UKI's contractor have stated that they were 100% sure that this would be effective and that they would guarantee the repair for a year. Mr and Mrs G consider that the manufacturer's guarantee will be invalidated if anyone other than the manufacturer carries out the repair and that accordingly they will be disadvantaged as a result of UKI's contractor doing the work.

Mr and Mrs G have told us that they have been significantly inconvenienced as a result of UKI requiring them to justify why its suggested repair is inappropriate and them having to obtain their own alternative quotes. Having lost faith in UKI, they consider that they have also been disadvantaged in obtaining alternative insurance (which has been significantly more expensive). They also believe that there has been damage to their reputation as a result of having certain insurers refuse to provide them with quotes due to this on-going claim.

Our adjudicator considered that this complaint should be upheld. UKI did not agree and asked for an ombudsman's review.

Having reviewed the complaint, I issued a provisional decision to the parties in which I made the following findings.

Mr and Mrs G's policy provides that, in meeting its obligations, UKI would either rebuild or repair any part of the building damaged. In this claim, they accepted that the accidental damage section of the policy was applicable.

I had not been provided with any evidence of the terms of the manufacturer's guarantee, although I was told that it did not extend to the damage seen. I could not, therefore, assess what would be lost (if anything) in the event that the guarantee was invalidated by any repair that UKI might make. Accordingly, I could not conclude that if UKI's contractor were to carry out the repair, Mr and Mrs G would suffer an additional loss.

At this service, we generally consider that where an insurer is satisfied that an effective repair can be made, it is first entitled to attempt to make that repair. If the repair does not turn out to be sufficient to put the policyholder back into the position that they would have been prior to the insured event occurring, then the insurer might then be required to effect a replacement or compensate them for their loss.

In this matter, there is a dispute between Mr and Mrs G and UKI as to what constitutes an effective repair. Although we were told that Mr and Mrs G considered that UKI's suggested repair would be insufficient, this was a matter of their opinion. If UKI's repair did not turn out to be effective, then I considered that they would need to stand by the repair made and accordingly carry out further repairs or replace the broken parts. However, I thought that they first needed to be given the opportunity to do this.

I did not consider Mr and Mrs G's request to be compensated for the replacement value of the entire door frame and doors to be a reasonable estimate of the loss that they had incurred to date. The manufacturer's and UKI's opinion was that the doors could be repaired and, in my opinion, that was what I thought should take place. Mr and Mrs G's suggestion that the more extensive repairs be carried out first was understandable (as they clearly do not wish for a repair to be tried and then for it to fail), although I considered that UKI must be given the opportunity to make their suggested repair first as they were confident that this would be successful.

If the repair were not to be successful, UKI could then still carry out the more extensive (and expensive) repairs suggested or indeed replace the doors and frame if that were necessary. If it refused to do so, then it would be open to Mr and Mrs G to bring a further complaint. UKI had also offered to cash settle this claim, if Mr and Mrs G elected this option, for the amount that it would have paid its contractor to carry out the repair, less any excess on the policy. Mr and Mrs G did not consider this to be sufficient redress.

In the circumstances of this complaint, I did not consider that UKI had done anything wrong in the suggestions that they had made. As Mr and Mrs G took a different view as to the repairs required, they needed to provide alternative quotes to address their concerns. This may have been time consuming, although it was not something that UKI was required to compensate them for. Accordingly, I did not consider that I needed to further address Mr and Mrs G's compensation claim for the inconvenience and cost caused to them, and damage to their reputation, as I did not believe that this complaint should be upheld.

In response to my provisional decision, Mr and Mrs G have disagreed with my findings and have provided me with a report from the manufacturer of the windows. Their opinion is that the crack is more than superficial and that the suggested repair would leave an inherent weakness in the door at the point that it attaches to the hinges. They do not consider UKI's suggested repair to be a long term solution for these hardwood doors that they expect to have a service life of at least 50 years.

my findings

I have considered all the available evidence and arguments to decide what is fair and reasonable in the circumstances of this complaint.

I appreciate Mr and Mrs G's position in this complaint and I am grateful for the helpful report that they have provided. However, I have not been persuaded that UKI's repair will, more likely than not, be ineffective. The manufacturer's opinion is that it is likely that the damage is

more severe than may appear from the surface, although I consider that there can be no certainty of that. Therefore, I remain of the view that UKI should be entitled to first try its contractor's suggested repair.

UKI's contractor has indicated that it will guarantee any repair for a year. Given that the French doors are hardwood and there is a legitimate expectation that they will last considerably longer than a year, I would in any event expect UKI to re-visit Mr and Mrs G's claim for a reasonable period of time after that if the repair were to prove ineffective.

my final decision

It is my final decision that I do not uphold this complaint. I do not require that UK Insurance Limited do anything more than it has already offered to do.

James Kennard
ombudsman