

The complaint

Mr G complains that U K Insurance Limited (UKI) wouldn't replace his car's windscreen with a manufacturer's original after he made a claim on his motor insurance policy.

What happened

Mr G made a claim for a windscreen replacement and he expected a like for like replacement from his understanding of the policy's terms and conditions. But UKI said it wasn't its policy to fit manufacturer's original glass and referred Mr G to the policy's terms and conditions. But Mr G was unhappy with this.

Our Investigator recommended that the complaint should be upheld in part. He thought the policy explained that UKI could replace the windscreen with a replacement of a similar standard to the original. But he thought UKI's policy term stating that it would pay up to the market value for repairs or replacement of a windscreen was unclear. And he thought UKI should pay Mr G £50 compensation for the confusion this caused.

UKI replied that it was Mr G's assumption that had caused the confusion and it didn't think compensation was warranted.

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.

Our approach in cases like this is to consider whether the insurer's acted in line with the terms and conditions of the policy and fairly and reasonably.

UKI said its policy made it clear that it didn't provide manufacturer's glass for replacement windscreens. It relied on the following policy term and condition on page 7 of the policy booklet to justify this:

"Replacing parts in your car

We may decide to repair your car with parts that haven't been made by your car's manufacturer, but that are of a similar standard."

So I think it's clear that UKI doesn't have to replace the windscreen with a manufacturer's glass, but with one of a similar standard. I don't think this is an unusual policy term. And so I think UKI is correct in not upholding this part of Mr G's complaint.

But on pages 9 and 10 of the policy booklet, UKI set out in a table the policy limits for the various aspects covered. This includes windscreen damage. It states that "If you use an approved windscreen supplier", UKI will pay up to the "market value". This is repeated on page 17.

But "market value" is only defined in the policy in relation to the value of the car. Mr G obtained an estimate from UKI's approved supplier to replace his windscreen with manufacturer's glass as he thought this was in keeping with the market value.

UKI, in its response to Mr G's complaint, explained,

“This is the market value of the windscreen we are replacing it with, not the windscreen you already have or the market value of your car.”

I agree that this policy limit is unclear and that UKI could have better explained it to avoid any confusion. The fact that UKI had to explain it confirms this. I think UKI has caused Mr G trouble and upset by not explaining this policy limit better. I agree with the Investigator that it should compensate him for this. And I think £50 compensation is in keeping with our published guidance for the impact this error had.

Putting things right

I require U K Insurance Limited to pay Mr G £50 compensation for the distress and inconvenience caused by its level of service.

My final decision

For the reasons given above, my final decision is that I uphold this complaint in part. I require U K Insurance Limited to carry out the redress set out above.

Under the rules of the Financial Ombudsman Service, I’m required to ask Mr G to accept or reject my decision before 31 January 2023.

Phillip Berechree
Ombudsman