

The complaint

Mr S has complained that Admiral Insurance (Gibraltar) Limited ('Admiral') declined his claim for double-glazing damage under his home insurance policy.

What happened

In June 2022, Mr S made a claim to Admiral under his home insurance policy. He reported that an inner pane of a double-glazing door unit at his home had spontaneously cracked. Admiral's loss adjuster inspected the damage in July 2022 and said it would carry out the repairs in August 2022. Admiral then cancelled the repair, however Mr S said that Admiral didn't explain why. Mr S contacted Admiral and it said that 'thermal expansion' was excluded from Mr S's insurance cover. Mr S complained to Admiral however it maintained its decision to decline cover, and then cited a gradual causes exclusion as a reason for decline.

Mr S then referred his complaint to our service. The relevant investigator upheld Mr S's complaint. He concluded that the damage claimed for by Mr S met the policy definition of unexpected accidental breakage of fitted glass in windows. Mr S has explained that he'd arranged for the damage to be repaired and it was his view that Admiral should pay Mr S the cost of repair of the damage together with interest at 8% simple.

Admiral didn't agree with the investigator's decision and the matter has been referred to me to make a final decision in my role as Ombudsman.

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.

The key issue for me to determine in this case is whether Admiral acted in a fair and reasonable manner in its interpretation of Mr S's home insurance policy and in declining his claim. I don't consider that it did act in a fair and reasonable manner, and I'll explain why. In reaching my decision, I've also considered the parties' submissions summarised as follows.

Mr S said that on the day when the double-glazing pane cracked, the weather was very bright and hot. He said that the door in question was of high quality. Having reported the cracking to Admiral, Mr S was contacted a few days later by a glazing company which had been instructed by Admiral. Mr S said the glazing company was very helpful, and when he described the damage, they assured him that this was a common incident for which they undertook insurance work. They arranged for an engineer to visit in July 2022 and to provide a report for the insurers and they confirmed a date for repair in early August 2022. Mr S said that the company then called a few days later to report that Admiral had cancelled the repair. He said they were unable to tell him why and *'were as surprised as I was!'*

Mr S called Admiral and was informed that as the engineer's report had referenced *'thermal expansion'* as the cause of damage, where a pane of glass can be caused to press against a metal pin holding the window frame in place. Admiral said that this was excluded from cover. Mr S believed that the exclusion which Admiral relied on was to do with ground movement or

subsidence and not damage to glass. Admiral said it that as it was mentioned in the policy booklet, it could be applied to all contexts. Mr S considered this to be absurd. He considered it notable that the formal response from Admiral's complaints department took a '*different tack*' and referenced damage which takes place gradually. Mr S considered that expansion of glass could happen in a matter of minutes and not in the gradual timeframe of dry rot, mildew and rust. He suggested that Admiral were '*trying to evade upholding their end of their own contract to save money.*'

Finally, Mr S said that Admiral informed him that regardless of the outcome of this process, his premium would go up next year and that this would also apply to all other providers '*because it goes on my record as a claim.*' Mr S also felt that he'd had to spend a significant amount of time in dealing with the matter and it had caused him anger and frustration.

Turning to what Admiral has said about the matter in its final response letter, it acknowledged Mr S's dissatisfaction. It nevertheless said that it could see no errors in the service received by him. It referred to an exception in the policy regarding '*gradual causes*' and said that the policy didn't cover damage caused by sunlight or atmospheric conditions. In response to the investigator's view, Admiral considered that it was clear '*as per the inspection that this case was wear and tear issue that the glass spontaneously breaks must have been that of thermal movement/expansion...*' It didn't think that there was any other reason why glass would simply break on its own.

Admiral's case notes indicated that Mr S initially referred to the damage occurring due to temperature changes rather than accidental damage. The report from the glazing company which it instructed stated '*Damage has been caused due to thermal expansion where a double-glazed unit located in a timber bi fold door has shattered and will require a replacement. The cost for the double-glazed unit replacement is £500.54 + VAT.*'

The starting point for my consideration of this complaint is the policy booklet and the definitions and terms and conditions contained in it. I've noted the provisions referenced by Admiral. However, I consider that the provision which describes what has happened in this instance, is under the heading '*What is covered*' and which refers to '*Accidental Breakage*'. This is clearly included in the cover described in Mr S's policy schedule and is defined in the policy booklet as '*Sudden, unexpected and visible breakage which has not been caused deliberately*'. The policy also states clearly that it covers: '*Accidental breakage of glass...*' to include '*Fitted glass in windows, doors...*' There are specific exclusions in the section relating to breakage of glass, and none of these refer to thermal movement.

As to Admiral's application of the exclusion of '*Gradual causes*', I'm satisfied that the wording does not apply to the circumstances which occurred in this case. The cause of damage as confirmed by the glazing company appointed by Admiral was thermal expansion in fitted glass. On the balance of probabilities this wasn't something which took place gradually. I'm persuaded by Mr S's evidence that this was a rapid cracking incident, which hadn't been present the day before the incident. As to '*Thermal movement*', this appears in the policy document as an exclusion against the heading of '*Buildings accidental damage*' in the context of ground subsidence, heave, and landslip. This comes just after the section regarding '*Accidental breakage of glass...*' These are therefore clearly shown as separate concepts. In addition, Admiral's argument that damage occurred due to wear and tear does not match the report of the glazing company experts which it appointed. It identified thermal expansion as being the cause and this doesn't equate to gradual wear and tear. I therefore agree with the relevant investigator that what has occurred here is more in line with the concept of accidental breakage of glass. In view of the wording of the policy, it would be unfair and unreasonable for Admiral to rely on the exclusions which it has cited.

I note that Mr S has stated that he's obtained a repair quote from the original door manufacturer which he said that, in comparison with Admiral's appointed glazing company, was *'cheaper than their own people would have done it.'* In the circumstances, I'm satisfied that Admiral should reimburse Mr S for the cost of the repair works, following submission of an invoice for the cost and up to the level of reserve which it set aside for its appointed glazing company, together with interest.

My final decision

For the reasons given above, I uphold Mr S's claim against Admiral Insurance (Gibraltar) Limited and require it to do the following: -

- to pay Mr S the cost of repairs to his door minus any excess amount, within 28 days of his acceptance of any Final Decision and following provision by Mr S of a receipt or invoice for the cost of repairs.

- to pay interest on the cost of repairs, calculated from the date Mr S paid this amount to the date of settlement, at 8% a year simple interest*

*If Admiral considers that it's required by HM Revenue & Customs to deduct income tax from that interest, it should tell Mr S how much it's taken off. It should also give Mr S a certificate showing this if he asks for one, so he can reclaim the tax from HM Revenue & Customs if appropriate.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr S to accept or reject my decision before 21 June 2023.

Claire Jones
Ombudsman