

## The complaint

Mr and Mrs J complain that Ecclesiastical Insurance Office Plc declined a claim on their home insurance for damage to a glass patio door.

Ecclesiastical are the underwriters of this policy (the insurer). Part of this complaint concerns the actions of its supplier. As Ecclesiastical has accepted it's accountable for the actions of the supplier, in my decision, any reference to Ecclesiastical includes the actions of the supplier.

Both Mr and Mrs J are named policyholders on their Ecclesiastical policy, so any claim or complaint is brought by them both. But for simplicity, and because most of the information about the complaint has been provided by Mr J, I'll refer mainly to Mr J from here onward.

Finally, Mr J bought the policy through an insurance broker and sub-broker. Most of his correspondence with Ecclesiastical has been through these brokers. However, for simplicity I'll refer mainly to Mr J rather than his brokers.

## What happened

In April 2022, the outer pane of glass in a double-glazed sliding patio door was shattered. Mr J wasn't sure how this had happened but thought a bird might have flown into the glass. He contacted Ecclesiastical via his broker to make a claim. Ecclesiastical instructed its glass supplier to assess and clean up the damage.

Ecclesiastical initially led Mr J to believe his claim had been accepted by discussing repairs with his broker and appointing a loss adjustor to manage the claim. However, the loss adjustor asked the supplier to review its findings. Having done so, the supplier said the damage hadn't been caused by a bird or other impact. Instead, it was "99% confident" the glass had shattered because of a hidden flaw or weakness in the glass, called a Nickel Sulphide Inclusion (NSI).

Based on this, Ecclesiastical declined the claim under paragraph 4 of the 'General exclusions' section of Mr J's policy. This paragraph lists various "*uninsurable risks*", including "*latent defect[s]*". Ecclesiastical said an NSI was an example of a latent defect so was specifically excluded under the policy terms.

Mr J was unhappy with this and brought his complaint to this service. He thinks Ecclesiastical is trying to avoid the claim and wants it to settle, as it originally agreed.

Our investigator recommended that the complaint should be partly upheld. He was satisfied that the supplier's conclusions about the cause of damage was most likely correct, and this damage wasn't covered by Mr J's policy. So he thought Ecclesiastical's decision to decline the claim was reasonable. However, he thought its handling of the claim was poor, and recommended it pay Mr J £75 to reflect this.

Mr J disagreed with our investigator, so the case was passed to me to make a final decision.

## 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 summarised the timeline of the claim below:

- 11 April. Mr J made a claim to Ecclesiastical, via his broker.
- 13 April. Ecclesiastical instructed its supplier to assess the damage. It asked, "*Is this nickel sulphide or impact?*"
- 27 April. In an email to his broker, Mr J expressed frustration with the supplier: "*They have sent people over 4 times to do the same job (clean and measure) and still don't seem to have the required info*".
- 3 May. The supplier sent Ecclesiastical its report (dated 29 April). This concluded the cause of damage was "*consistent with claim*" and gave two options for repairs, plus quotes for each.
- 9 May. Ecclesiastical discussed the repair options with Mr J's broker and agreed on the second option for repair. It appointed a loss adjustor to manage the claim.
- 10 May. The loss adjustor asked Ecclesiastical to confirm the cause of damage. Ecclesiastical discussed this with its supplier. The supplier confirmed the damage was due to an NSI.
- 11 May. Ecclesiastical told Mr J's broker the claim would be declined. It confirmed this in writing the following day.
- 7 June. Following several weeks of discussions, Mr J's broker complained about the decision to decline Mr J's claim.
- 22 July. Ecclesiastical completed its investigation and confirmed its decision to decline the claim.
- 27 July. An email from the supplier to Ecclesiastical on 27 July said it had recently spoken to Mr J and told him "*the cause [of damage] is unknown*". Mr J's broker referenced this comment in a 5 August email to Ecclesiastical.
- 11 August. An email from the supplier to Mr J said it was "*unable to conclusively confirm breakage has been caused by NSI.*"

Mr J has made several points about why he believes Ecclesiastical's decision was unfair. He says, in summary:

- The supplier originally agreed the damage was caused by an impact then, under pressure from Ecclesiastical, changed its mind.
- The shattered glass could have been tested for NSI but wasn't.
- The supplier removed the glass door "*to avoid any possibility of testing or a second opinion*".
- There has been "*misconduct and collusion*" by Ecclesiastical and its supplier.

I understand why Mr J is unhappy. I think it's most likely Ecclesiastical's supplier originally told Mr J this was an impact break, for two reasons:

- Its report, dated 29 April 2022, concluded that the damage was "*consistent with claim*" – that is, consistent with Mr J's belief that the glass was damaged by something hitting it.
- Ecclesiastical's internal note dated 10 May says the supplier "*told us this was impact*". I think it's reasonable to conclude the supplier would have told Mr J the

same thing.

Ecclesiastical had also started the process of settling the claim. It had asked its supplier to quote for repairs and had discussed these with Mr J's broker. All of this would have led Mr J to believe this was a relatively straightforward claim so I understand why its decision to decline the claim would have come as a shock.

But the key question for me is whether that late decision to decline the claim was reasonable. And, on balance, I think it was.

The instruction sheet Ecclesiastical sent its supplier on 13 April 2022, two days after Mr J made his claim, noted the following: "*Patio door is completely smashed. Is this nickel sulphide or impact?*" So it's clear that Ecclesiastical wanted the supplier to check for an NSI from the outset. What's not clear is why the supplier didn't do this or why Ecclesiastical hadn't checked this before it appointed its loss adjuster on 9 May. It was only then that the loss adjuster asked Ecclesiastical if the supplier had carried out a forensic test on the glass.

Ecclesiastical went back to the supplier on this point on 10 May. The supplier's Head of Technical reviewed the claim file. He studied photos of the shattered glass and concluded this was an NSI for two reasons: first, a 'butterfly break' ("*the brake [sic] at the centre splits into two adjoining 'wings' said to look like a butterfly*"); second, the pattern made by the shattered glass ("*when toughened [glass] is damaged from NSI the pieces get larger the further away from the break*"). He said that both factors could be identified in the photos of the damaged pane.

I agree that the photos clearly show a butterfly break. I can't see a significant difference in the size of the shattered glass fragments but I'm willing to accept the opinion of the supplier's technical expert on this point.

I've carried out my own research to see what impact damage to a double-glazed patio door might look like. From the images I've reviewed, a typical impact break looks very different to Mr J's shattered door. In the cases I've seen, a clear impact area, creating a dent or crater in the glass, is identifiable. I can't see that sort of clearly defined impact area in the photos of Mr J's door.

Mr J has challenged the expert's "99% confident" point. I'm satisfied that this is good enough. I think the only reason he isn't 100% certain is because he was unable to test the glass. Given his expertise – and the fact that I can make my findings on a balance of probabilities – I accept his conclusion that this was an NSI.

Finally, Mr J is unhappy that the supplier disposed of the glass so he's unable to have his own expert test it. Again, I understand his frustration. As I've indicated, I think the supplier should have tested the glass for an NSI given the instruction it received. But I don't think there was any reason for it to keep the damaged pane once it submitted its report. So I don't think there were any underhand reasons for its disposal.

For the reasons above, I'm satisfied that the damage was most likely caused by an NSI in the glass pane.

I now need to consider whether Ecclesiastical's decision to rely on the "*latent defect*" exclusion was fair. And again, on balance, I think it was. Ecclesiastical told us an NSI happens "*as a result of impurities still contained in a glass pane after its manufacture and toughening process*." I've found that NSIs are considered rare but accepted anomalies in the glass-making process. And, generally, glass manufacturers or suppliers don't offer a warranty against this type of damage. So I think the NSI can reasonably be considered a

latent defect.

I have every sympathy with Mr J because the damage clearly wasn't his fault. However, I don't think Ecclesiastical's decision to decline his claim was unfair.

Ecclesiastical has acknowledged that it misled Mr J by discussing the repairs with his broker before it confirmed the cause of damage, and it has apologised for this. I've considered whether it should do something more than just apologise.

I think the timeline I set out above shows Ecclesiastical's handling of the claim was poor, for three reasons:

- As it has acknowledged, it led Mr J to believe his claim had been accepted.
- It took more than six weeks to investigate and confirm its decision when, in the circumstances, I think it could and should have done this much more quickly.
- Mr J was still getting conflicting messages from the supplier after Ecclesiastical told him the damage was an NSI (for example, on 27 July and 11 August 2022).

I've considered Ecclesiastical's comments on this. However, I've no doubt this caused Mr J a great deal of frustration. I'm also conscious his patio door was left in a damaged state throughout this period which caused him safety and security concerns. In the circumstances, I think Ecclesiastical should compensate Mr J for its poor handling of the claim.

I've considered what this service has awarded in comparable circumstances. Having done so, I think Ecclesiastical should pay Mr and Mrs J £200.

Based on everything I've seen, I think Ecclesiastical's decision to decline the claim was reasonable. However, I think it should pay Mr and Mrs J £200 to reflect the inconvenience its handling of the claim caused them. I recognise that Mr and Mrs J will be disappointed with my decision, but I won't be asking Ecclesiastical to do anything more than that.

### **My final decision**

My final decision is that I uphold the complaint and require Ecclesiastical Insurance Office Plc to pay Mr and Mrs J £200 to reflect the inconvenience it caused them in its handling of their claim.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr and Mrs J to accept or reject my decision before 3 March 2023..

Simon Begley  
**Ombudsman**