

## **The complaint**

Mrs R is unhappy that Helvetia Schweizerische Versicherungsgesellschaft in Liechtenstein AG (HSV) declined her accidental damage claim under her furniture warranty.

## **What happened**

Mrs R took out a five-year insurance policy to cover accidental damage and staining when she bought new sofas in November 2020. In August 2022, she raised a claim for accidental damage to the back cushion of one sofa. Mrs R reported that it, “looks like it has been caught on seam”.

HSV sent a technician to assess the damage. The technician reported, “The overall fabric condition and faded pattern shows this has [occurred] through wear and tear during use not single incident”.

In light of the technician’s report, HSV declined Mrs R’s claim because the damage was caused by wear and tear rather than a one-off incident.

Mrs R didn’t agree with HSV’s decision, so she complained. She said the fabric ripped when someone caught the sofa with their keys as they sat down. HSV reconsidered the claim, but its technician didn’t think the damage was caused by a one-off incident. HSV confirmed its decision to decline the claim, so Mrs R brought her complaint to us.

Our investigator upheld Mrs R’s complaint because she didn’t think HSV had provided sufficient evidence to show that the damage was due to wear and tear rather than a one-off incident.

Because HSV didn’t respond to our investigator’s view, the complaint was passed to me to decide.

## **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.

Having done so, I’ve decided to uphold Mrs R’s complaint and I’ll explain why.

Mrs R's policy provides cover for accidental damage which is defined as:

*The sudden and unforeseen damage to the product... subject to the exclusions listed under Section 5 What is not Covered.*

Amongst other things, the policy describes a "rip or tear" as accidental damage.

The policy excludes cover for:

*2 Any damage resulting from wear and tear*

Mrs R's sofa is clearly damaged, and she says it was the result of a one-off incident. For HSV to decline her claim, it must show why the damage isn't covered under the policy. So, I've looked at the evidence to decide whether HSV has done enough to show that it was reasonable to decline the claim in the circumstances.

- HSV declined the claim saying the damage was due to wear and tear but, looking at the photos of Mrs R's sofa, I can't see any evidence of the wear and tear HSV describes.
- HSV said Mrs R only confirmed keys had caused the damage when it declined the claim. Looking at the online claim form, I note Mrs R described the damage rather than the incident. So, I don't think it's fair to rely on that first notification as a full picture of events.
- When HSV questioned Mrs R further about the damage, she said it was caused accidentally when someone sat down and caught the back cushion. Later, she said it was keys in their pocket which caught on the fabric, but no one had wanted to admit to causing the tear. I'm satisfied that's a plausible explanation.
- The technician didn't think the tear was consistent with accidental damage. While it's not HSV's responsibility to say what did cause the damage, it is responsible for demonstrating why the policy doesn't provide cover. I don't find the technician's report persuasive on this issue - *"I don't feel this has been caused by keys and looks really old damage don't really no (sic) what has caused it"*.
- The sofa was less than two years old so it's unreasonable to conclude that the damage is *"really old"*. And in the absence of any clear evidence of wear and tear, I can't fairly say the damage is more likely to be due to day-to-day use rather than a one-off incident.
- The damage itself is a small horizontal rough-edged split or hole, with a longer vertical split running from the hole along the edge of the seam. If the split was just at the seam I could understand why HSV declined the claim for wear and tear, but that doesn't explain the hole at the top of the split.

In light of the evidence, I don't think HSV has done enough to show that the policy exclusion for wear and tear applies here. Therefore, I think it's reasonable for HSV to reconsider Mrs R's claim under the remaining terms and conditions of the policy.

## **My final decision**

For the reasons given above, my final decision is that I uphold Mrs R's complaint and Helvetia Schweizerische Versicherungsgesellschaft in Liechtenstein AG must:

- reconsider Mrs R's claim for accidental damage to her sofa under the remaining terms and conditions of the policy.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs R to accept or reject my decision before 19 May 2023.

Debra Vaughan  
**Ombudsman**