

The complaint

Mrs S complains Helvetia Global Solutions LTD (Helvetia) unfairly settled her claim on her accidental damage insurance policy

Helvetia are the underwriters of this policy i.e. the insurer. Part of this complaint concerns the actions of the intermediary. As Helvetia have accepted it is accountable for the actions of the intermediary, in my decision, any reference to Helvetia includes the actions of the intermediary.

There are several parties and representatives of Helvetia involved throughout the complaint but for the purposes of this complaint I'm only going to refer to Helvetia.

What happened

A small puncture was made in one seat of Mrs S's leather sofa after her husband sat down on it, and a screwdriver had been left in his pocket. Mrs S made a claim on her accidental damage insurance policy.

Helvetia's approved technician attended and said due to the location of the damage a repair would not be possible because it would fail, therefore a new cover would be required.

The new covers were ordered and when they arrived Mrs S said there was a significant difference in appearance between the old cover and the replacement cover. She said she wanted a replacement sofa.

Helvetia declined to supply a replacement.

Because Mrs S was not happy with Helvetia, she brought the complaint to our service.

Our investigator upheld the complaint. They looked into the case and said due to the noticeable difference between the old and new cover, Helvetia should replace all covers to ensure there was no mismatch.

As Helvetia is unhappy with our investigator's view the complaint has been brought to me for a final decision to be made.

What I provisionally said

Helvetia's approved technician attended in October 2023 and said a repair could not be made to the puncture damage and a new cover was needed. I saw prior to any covers being ordered Mrs S expressed her concerns about a colour match. Because she was concerned about the colour match Helvetia made a cash offer as an alternative to a repair.

This offer was made in writing, and Helvetia gave Mrs S two weeks to decide which option she wanted to take, either the cash offer or the replacement cover. It said if there was no response it would order the cover. I saw Helvetia made a number of unsuccessful attempts

to contact Mrs S for her decision before ordering the replacement cover at the end of November 2023.

When the cover arrived Mrs S was unhappy with the match. Helvetia's technician attended to fit the cover in February 2024 and as Mrs S was still unhappy with the match, the cover was returned to Helvetia for it to review. It undertook a review and said the colour of the leather was a match to its sample. It made a reduced cash settlement offer of £99.79 as an alternative to replacing the cover.

I looked at the terms and conditions of the policy which was taken out in August 2020 at the time the sofa was bought.

It includes the following;

"6 Claim process

Over time the colour, shade and appearance of your product is likely to change and therefore in the event new covers are required we will supply parts based on the original appearance of your product. Wherever possible we will try and limit any differences but our liability is to repair the product based on the original specification.

We may decide to offer you a cash settlement in lieu of a repair for the value of our repair."

Helvetia did offer both a cash settlement and replacement cover option to Mrs S, so it has been fair in this aspect of her claim. It has also shown evidence that the replacement cover was sourced from the sofa's original manufacturer, using the unique order number colour code from Mrs S's sofa .

I have considered the colour match of the replacement cover provided and I recognise there is a difference in colour between the replacement cover and Mrs S's Sofa. As the sofa is upholstered in natural leather and there had been more than three years of use at the time of the damage, there has been an element of wear and tear and the appearance of the leather has changed in places. I saw from the evidence provided that some areas of the sofa had more wear than others. And the replacement cover matched more closely in some areas than others.

The policy does not cover for wear and tear, which is the cause of the change in colour to Mrs S's sofa at the time of the damage.

I also saw that the comparison of the replacement cover against a sample of unworn leather shows a close match. Therefore, I am persuaded that the replacement cover is a reasonable match to the original appearance of Mrs S's sofa. The replacement leather cover will change in appearance as it wears and the variation between new and old leather is not a permanent difference. As per the terms of the policy Helvetia has offered to repair the product based on the original specification.

Therefore, I intend not to uphold Mrs S's complaint and do not require Helvetia to do anything further in this case. Its offer of either the replacement cover or the cash settlement should still be available as options to Mrs S.

Responses to my provisional decision

Helvetia responded and said it accepted my provisional decision.

Mrs S didn't respond.

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.

As neither Mrs S or Helvetia brought any further comments, I maintain my provisional decision and I don't uphold Mrs S's complaint.

I do not require Helvetia to do anything further in this case. Its offer of either the replacement cover or the cash settlement should still be available as options to Mrs S.

My final decision

For the reasons I have given I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs S to accept or reject my decision before 3 December 2024.

Sally-Ann Harding
Ombudsman