

The complaint

Mrs E complains about Red Sands Insurance Company (Europe) Limited (Red Sands) declining a claim under her insurance policy covering repairs for accidental damage to the bodywork of her vehicle.

Any reference to Red Sands in this decision includes their agents.

What happened

Mrs E took out a policy with Red Sands in December 2023, which provided cover for repairs from accidental damage for minor dents, light scratches, light scuffs and chips to the bodywork of her vehicle. In September 2024 Mrs E contacted Red Sands to say there scratches on her vehicle and made a claim for them to be repaired under the policy. Red Sands sent a technician to inspect the vehicle but concluded the scratches were of a nature and size they couldn't be classified as requiring minor cosmetic repair under the terms and conditions of the policy. Mrs E complained about the decline, so Red Sands sent out a technician a second time, but they reached the same conclusions.

Mrs E complained to Red Sands about the decline, as well as the technician attending to inspect her vehicle without her being present.

Red Sands didn't uphold the complaint. In their final response they referred to the vehicle being inspected by a technician and their conclusion the damage wouldn't be suitable for a minor cosmetic repair as the damage exceeded 30cm and requiring removal of the panel to carry out the repair. Red Sands enclosed a copy of the policy terms and conditions in support of their decision.

Unhappy at Red Sands' final response and their decline of her claim, Mrs E then complained to this Service.

Our investigator didn't uphold the complaint, concluding Red Sands didn't need to take any action. Having reviewed the technician report describing the damage to the vehicle, he noted none of the affected areas met the definition of light cosmetic damage and would need the removal of panels to repair. And each scratch was more than 30cm, as shown by the photographs marking the area of the scratches. While Mrs E was unhappy at the technician attending Mrs E's property without her being present, it was a pre-booked appointment and didn't appear to be an attendance requiring Mrs E's presence. And there wasn't any evidence to indicate the technician could only attend and inspect the vehicle in Mrs E's presence. So, Red Sands hadn't acted unfairly in declining the claim for the damage.

Mrs E challenged the investigator's view, saying they shouldn't have attended her property and inspected the vehicle without her being present. She'd also had the scratches inspected at the dealer from which she purchased her vehicle and they confirmed some were within the 30cm limit for scratches. At our investigator's request, she provided photographs of the scratches she said showed they were within the 30cm limit. Our investigator shared the photographs with Red Sands for their response.

Red Sands responded to say there was damage across the right front door and wing, and the right rear door and rear quarter, which would require painting both panels in each case (and blend into the rear bumper). The damage affected the whole of the right side of the vehicle and couldn't be repaired with minor cosmetic techniques. Similar considerations applied to the scratches on the left hand side of the vehicle (and the left front door damage exceeded 30cm).

Having considered Mrs E's challenge and Red Sands' response, our investigator maintained his view not to uphold the complaint, concluding it was reasonable for Red Sands to say the scratches wouldn't be covered under the terms of the policy. As he didn't think Red Sands had acted unfairly in declining the claim the investigator concluded it wouldn't be fair to ask them to refund the policy premium.

Mrs E maintained her disagreement with the investigator's view, so the complaint has been passed to me to consider.

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.

My role here is to decide whether Red Sands have acted fairly towards Mrs E.

The key issues in Mrs E's complaint are, firstly, their decision to decline her claim for the repair of the scratches on her vehicle. Mrs E says they should be covered under the policy, whereas Red Sands say the scratches don't meet the definitions in the policy to be covered. A second issue is a technician attending Mrs E's property to inspect her vehicle without her being present.

On the main issue, in declining the claim for the repairs, Red Sands refer to the following policy wording, under a heading of *General Exclusions*:

"There will be no cover under this policy in respect of:

1. Any damage to the Vehicle;

1.1 Which is not Minor Repair Damage;

1.14 resulting in the need to replace of any body panel or part of the vehicle that needs to be removed to achieve a repair."

There is also a reference to the following under policy *Definitions*:

"Light Scratch (not including bodyshop repairs) means damage to the Vehicle body panel not exceeding 30 (thirty) cm in length and not extended over more than 2 (two) adjacent body panels.

Minor Repair Damage (not including bodyshop repairs) means Chips, Minor Dents and Light Scratches caused by day-to-day motoring, falling within the parameters of the Template."

So, the key is whether the scratches fall within the above policy terms and definitions. In their final response, Red Sands include photographs (including a template that is 30cm in diameter) that indicate where scratches exceed 30cm, or where the repair requires the removal of a panel.

When responding to Mrs E's challenge to our investigator's view and the photographs she provided, Red Sands provided the following response:

"There is damage that is on the right front door, that goes cross panel into the wing meaning we would need to paint the right front wing and right front door. There is also damage on the right rear door and right rear quarter, meaning we would have to paint both these panels as well as the blend into the right rear bumper. Due to the continuous paint damage down the whole right-hand side of the car we would not be able to paint the entirety of the side of the car with minor cosmetic techniques.

It would be similar to the left-hand side of the vehicle as well. Rear bumper centre damage will need blending into the rear bumper left damage then into the left rear quarter damage and left rear door. Left front damage is over 30cm.

The overall damage of the vehicle and methods of repair means this is unsuitable for a minor cosmetic repair."

While our role as a Service isn't to assess claims, given the evidence presented I'm persuaded that Red Sands have acted fairly and reasonably in assessing the damage and concluding it wouldn't fall within the policy terms and definitions set out above.

On the second issue, the indications are that an appointment was booked for the technician to attend in September 2024 to inspect the vehicle and made efforts to contact Mrs E. Given the nature of the inspection, I don't think it required the presence of Mrs E – although it would have been preferable had she been present to see the technician assess the damage. But the technician took photographs to support their inspection findings, which wouldn't be affected by the presence (or the absence) of Mrs E.

So, I don't think Red Sands acted unfairly in this respect.

Taking all these points together, I've concluded Red Sands haven't acted unfairly or unreasonably, so I won't be asking them to take any action.

My final decision

For the reasons set out above, my final decision is that I don't uphold Mrs E's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs E to accept or reject my decision before 29 May 2025.

Paul King
Ombudsman