

The complaint

Mr N complains Safe World Insurance Group (UK) Ltd (“Safe World”) has unfairly declined his claim on his insurance backed guarantee policy.

What happened

The details of what happened are well know to both parties, so I will summarise them here.

- Mr N purchased and instructed for the installation of solar panels and a battery storage system in his home by a third-party company. I’ll refer to them as T.
- Mr N also took out an insurance-backed guarantee policy to cover them with Safe World, in the event of T ceasing trading. Which it subsequently did.
- Mr N made a claim to Safe World but they rejected it. Pointing to the terms and conditions requiring installation and full payment to have been completed.

Mr N brought his complaint to our Service, saying the claim had been unfairly declined. Our Investigator looked into it but didn’t agree. She concluded Safe World were acting fairly and under the terms of the policy.

Mr N didn’t agree. Amongst his points in reply, he said installation had been completed and payment had been made in full (minus a good will gesture reduction).

As no agreement has been reached, the case has been 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.

Based on everything I’ve seen, I’ve decided not to uphold this complaint for broadly the same reasons as our Investigator. I know Mr N will be disappointed as he’s been left with solar panels he’s unhappy with but I’m satisfied Safe World has declined the claim fairly and in line with the terms of the policy. I’ll explain why.

The cover Mr N has is an insurance backed guarantee. And under the terms of the policy relating to this type of cover, it says:

“The Insurance Backed Guarantee is provided from the commencement of cover date, subject to the installation having been fully completed to your satisfaction, all negotiations with respect to the contract value have been concluded with full payment made and there being no defects evident in the installation.”

The installation of Mr N's solar panels took place in early 2023. Mr N has detailed issues that were unresolved including tripping fuses and a faulty mobile app. He completed a claim form with Safe World in October 2024. I don't believe the above policy condition was met. I say this because:

- Mr N answered the claim form question, "*Has the work been completed?*", "No".
- He also answered the claim form question, "*Have you paid the installer in full?*", "No".
- He also wrote in his claim form, "*Although at this time the supplier claimed the system was functioning correctly, there were clearly issues such as tripping fuses and a faulty mobile app etc which indicated some things were amiss... However, it seemed reasonable to allow the installer the opportunity to rectify the system and, despite his request for immediate full payment, it was agreed that as an indication of goodwill £3000 would be paid with the balance due on full mutual acceptance that all shortcomings were rectified*".
- Mr N has only provided confirmation of payments totalling £14,156.40. Against a balance due of £17,000.
- T's liquidator has also confirmed in writing, "*agreement had been reached between Mr & Mrs N and the Company that the remaining balance will not be payable as the Company was not in a position to neither complete nor repair the installation*".

Safe World has said it considers the above to shows the installation wasn't completed to Mr N's satisfaction and payment wasn't made in full and I agree. So, Mr N's claim hasn't met the terms of the policy.

I appreciate Mr N has provided certificates which he says shows work was completed, but this doesn't mean it was completed to his satisfaction and I don't believe it was. He has also argued that he has made the full payment, of a reduced amount. However, I am satisfied from the evidence provided that the reduced amount was only agreed as the works needed, to get it to the standard Mr N required, weren't possible any longer. Mr N has also said that the policy stated it will cover the completion of installation when the installer has ceased trading. However, having read the documentation, this section clearly relates to any deposit protection insurance rather than the insurance backed guarantee.

So overall, I think Safe World has applied the terms of the policy appropriately to Mr N's claim and I don't think it's acted unfairly in declining it.

My final decision

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

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr N to accept or reject my decision before 12 December 2025.

Yoni Smith
Ombudsman