

The complaint

Mr and Mrs H have complained that Red Sands Insurance Company (Europe) Limited (“Red Sands”) unfairly declined their claim for an inconsistency in the tint of their conservatory roof panes, and also caused delays in the claim.

What happened

In September 2024, Mr and Mrs H moved into their new home which had a conservatory that came with an Insurance Backed Guarantee. The guarantee was put into Mr and Mrs H’s names and they later made a claim for one of the doors of the conservatory as it didn’t fit correctly. That claim was accepted and the issue was rectified.

In December 2024, they made another claim under the guarantee, when they noticed the glass tint on their roof panes was inconsistent and there was a draught. Mr and Mrs H felt that Red Sands were slow in responding and, after some chasing, Red Sands eventually declined the claim. It said that under section 3.17 of the terms of the guarantee, it wasn’t liable for any defect discovered or reported to the contractor more than 90 days before the contractor ceased trading.

Mr and Mrs H didn’t agree. They said that section wasn’t applicable and Red Sands agreed to send someone out to look at the problem and issue a report. Ultimately, Red Sands said the draught issue would be covered by the guarantee as it had been caused by poor workmanship, but that the inconsistent glazing tint wasn’t a result of defective workmanship or faulty materials, and that it believed that the panels could have been different at the time of installation, or the policyholder may have carried out work on the roof or repaired some glass, resulting in panes of different ages, which could cause a variation in the tint.

Mr and Mrs H complained. They said the panels hadn’t been changed, but in its final response letter, Red Sands maintained its position and offered Mr and Mrs H £100 compensation in recognition of the poor handling of their claim.

Mr and Mrs H didn’t accept Red Sands’ response, so they referred their complaint to the Financial Ombudsman Service. Our Investigator considered the complaint and recommended Red Sands accept the claim and replace the faulty glazing.

Red Sands didn’t accept our Investigator’s opinion, so the complaint has now been referred to me for an Ombudsman’s 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.

As this is an informal service, I’m not going to respond here to every point raised or comment on every piece of evidence Mr and Mrs H and Red Sands have provided. Instead, I’ve focused on those I consider to be key or central to the issue in dispute. But I would like to reassure both parties that I have considered everything submitted. And having done so,

I'm upholding this complaint. I'll explain why.

The insurance industry regulator, the Financial Conduct Authority (FCA), has set out rules and guidance about how insurers should handle claims. These are contained in the 'Insurance: Conduct of Business Sourcebook' (ICOBS). ICOBS 8.1 says an insurer must handle claims promptly and fairly; provide reasonable guidance to help a policyholder make a claim and give appropriate information on its progress; and not unreasonably reject a claim. It should also settle claims promptly once settlement terms are agreed. I've kept this in mind while considering this complaint together with what I consider to be fair and reasonable in all the circumstances.

The terms of the guarantee say, *"In the event that the contractor has ceased to trade, in accordance with the definition above, we agree to indemnify you for the cost of making good defective workmanship and/or faulty materials in line with the Contractors Written Guarantee."*

I've considered the evidence provided by both parties in relation to the differing tints of the conservatory roof glazing panels. The difference is easy to see in the photos and I think it's clear that there's an issue, most likely caused by the wrong materials having been used, as the glazing should've been uniform. So I'm satisfied the issue is covered under the guarantee, as it meets what I'd consider to be the definition of *"faulty materials"*. This isn't a term that's defined in the contract, so I've applied the ordinary, everyday meaning of the phrase, which I'm satisfied includes materials which are inferior, defective, unfit for purpose or do not meet requirements. And I think the fact that there's an inconsistency in the tint shows that not all the panels met the requirements of the build, as I find it highly unlikely that the build specifications did not require matching panels.

I'm not persuaded by Red Sands' view that the glass isn't defective and the issue can't be covered. It's quoted the two reports dated 20 February 2025 and 12 March 2025 – and I've considered both. But I don't agree with the conclusions reached within those reports that there's only two possible scenarios that could've led to the difference in tint. The second report, in particular, concludes that the mis-match in glazing could be due to the glass installed being different to that which was originally installed at the time of the build, or due to work that was subsequently carried out. It's not clear why Red Sands has seemingly ruled out the possibility that incorrect glass was used, resulting in a difference in tint, from the outset. It seems entirely plausible to me, from the evidence I've seen, that this is the most likely cause of the issue.

I say this because I've seen evidence that the previous owner didn't change the glass panels at any point. And I'm satisfied Mr and Mrs H didn't either. Red Sands has said the comments provided by the previous owner aren't reliable – but it hasn't explained why. It also hasn't provided any evidence to demonstrate that the panels must have been changed at some point after the original installation. So I think it needs to accept and deal with the claim.

Turning now to the customer service provided, I'm satisfied that the £100 compensation offer Red Sands made is reasonable. I say this because I think this amount adequately reflects the impact on Mr and Mrs H of the delays in the claim, and the inconvenience and frustration caused to them by Red Sands' actions, such as the incorrect reasoning it initially gave them to decline the claim, and the ultimate unfair decline of their claim.

I'd also expect Red Sands to investigate the further delays that have occurred, which I'm unable to consider in this decision as these relate to events outside the scope of this complaint, and it should consider offering additional compensation for the impact of any additional delays if fair and reasonable to do so.

Putting things right

Red Sands Insurance Company (Europe) Limited should now:

- Rectify the issue with the differing tints of the conservatory roof glazing, by replacing panes to ensure the panels match.
- Pay Mr and Mrs H £100 compensation for distress and inconvenience in line with its final response letter, if it has not paid this to them already.
- Consider the service it's provided since the date of its final response letter and respond to Mr and Mrs H about any further delays.

My final decision

My final decision is that I uphold this complaint and I direct Red Sands Insurance Company (Europe) Limited to put things right as I've set out above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs H and Mr H to accept or reject my decision before 15 December 2025.

Ifrah Malik
Ombudsman