

The complaint

Miss M is unhappy that Red Sands Insurance Company (Europe) Limited (Red Sands) didn't fully accept her household warranty claim. She's also unhappy with the delays caused and the service provided by Red Sands.

Any reference to Red Sands includes all its agents.

What happened

Miss M had windows installed in her home in October 2014.

A 10-year extended warranty was provided to Miss M as an insurance-backed guarantee (IBG).

Red Sands is the underwriter on this policy, and it provides cover for defective workmanship and/or faulty materials for the newly installed windows and doors, if the supplier ceases to trade.

In February 2024, Miss M submitted a claim to Red Sands for various issues. It arranged for a qualified expert to provide an independent report. The report confirmed there was defective sealing around the windows which was causing water ingress. The recommendation was to reseal the affected windows and replace the door knocker.

Based on the report, Red Sands wrote to Miss M in September 2024, to confirm her claim had been assessed and approved. It asked Miss M to pay the £100 policy excess and once this was done, the windows would be resealed, and the door knocker would be replaced. However, Red Sands didn't accept liability for the damage to the plastering on the internal wall or the external leadwork.

Unhappy, Miss M made a complaint to Red Sands about the claim not being fully accepted. It maintained its position.

Miss M also made a complaint about the delays caused in progressing the claim. Red Sands reviewed Miss M's concerns and offered her £200 compensation for this.

Miss M brought the complaint to this service. She said she wanted the external leading and the internal plasterwork to also be repaired.

One of our investigators partially upheld the complaint and concluded the following:

- Red Sands acted fairly in requesting an independent report to assess the damage.
- Red Sand's agreement to reseal the windows and to replace the door knocker is fair.
- Red Sands fairly declined cover for the external leadwork.
- The £300 compensation offer and the offer to waive the excess of £100 was fair and reasonable.
- The issues raised regarding the trimming, the door lock and the door handle haven't been looked at by Red Sands. It confirmed that these issues would be looked at

when the assessor re-attends the property. This is fair.

- The damage to the plaster on the walls should be covered by Red Sands as this was caused by the water ingress due to faulty sealing of the windows and so he upheld this element of the complaint.

Red Sands agreed to all the above points apart from covering the damaged plaster. Red Sands said such damage was excluded by the policy terms.

Miss M accepted the further compensation but said the trimming on the lower window, the plaster work, the door lock and door handle still needed to be resolved.

As neither party fully accepted the investigator's findings, the complaint 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.

At the outset, it's important to point out that we're an informal dispute resolution service, set up as a free alternative to the courts for consumers. In deciding this complaint I've focused on what I consider to be the heart of the matter rather than commenting on every issue or point made in turn. This isn't intended as a discourtesy to Miss M. Rather it reflects the informal nature of our service, its remit and my role in it.

Based on the responses provided by Miss M and Red Sands, the compensation offered has been accepted by Miss M. And Red Sands agreed that the windows will be resealed and the door knocker will be replaced. These issues therefore are no longer in dispute. I won't be commenting on these other than to say I find the proposed actions and compensation fair.

So, the issues that remain in dispute are as follows:

- The external leadwork and the internal plastering.
- The trimming, the door handle and the door lock.

I'll address these in turn below.

External leadwork

Miss M said there is water ingress to the bedroom window caused by the defective sealing. She wants Red Sands to repair the external leadwork due to the faulty workmanship of the window installation.

Red Sands arranged for an independent assessment to be carried out. I've considered the report. It states:

'The bedroom bay is ingressing water to the right-hand side and the bay requires resealing. This could possibly be due to the external lead work which needs redressing – this is out of [.....] remit and works will need to be completed by a builder.'

Based on this, Red Sands has accepted that the window needs resealing. The report states the bedroom bay is letting in water and requires resealing. It also notes there's a possibility that the water ingress relates to the external leadwork, which would need redressing by a builder and is outside the installer's remit. On that evidence, I'm satisfied that resealing the affected areas is therefore the work that falls within the scope of the insured installation

whereas redressing the external leadwork is not. As such, I think it's fair for Red Sands to reseal the windows but based on what I've seen, I don't think Red Sands is responsible for repairing the leadwork.

Internal plasterwork

I've considered the damage to the internal plasterwork caused by the water ingress.

Red Sands says the plaster damage to the wall is excluded under this policy which states:

'4.11 We are not liable for any loss of use of any other costs that are indirectly caused by the event which led to your claim, such as but not limited to internal decoration resulting from a leak where the insured works is for example a roof, window or conservatory'

Red Sands provided the survey report in support of its decision to exclude cover for the internal plasterwork.

I've thought carefully about how that exclusion should apply here. Having done so, in my view, the damage to the plaster wasn't an indirect or remote consequence.

I say this because the defective sealing allowed water to enter directly into the wall, and the resulting damage to the plastering followed, naturally and inevitably from that defect. On a fair and reasonable basis therefore, this amounts to a direct physical damage stemming from the failure of the insured works, not a secondary consequence. It would therefore be unfair for Red Sands to rely on the 'indirect costs' exclusion in this particular circumstance. I'm therefore satisfied the plaster repairs should be covered by Red Sands.

Window trimming, the door handle and the door lock

These matters have not yet been assessed by Red Sands. It has confirmed they will be considered when the assessor re-attends, and I think that is fair. I therefore make no finding on these points at this time.

Overall, the policy covers defective workmanship and/or faulty materials relating to the insured window and door installation where the supplier has ceased trading. On the evidence, Red Sands acted fairly in accepting the claim for water ingress caused by defective sealing, and in resealing the affected areas. It is not responsible for the external leadwork. But for the reasons I've given, I consider it fair and reasonable that Red Sands should meet the cost of repairing the internal plasterwork damaged by the water ingress.

Putting things right

I direct Red Sands to do the following:

- Arrange resealing of the affected windows as already agreed.
- Replace the door knocker as already agreed.
- Pay Miss M total compensation of £300 and waive the £100 policy as previously offered.
- Accept and pay for the claim to repair the internal plasterwork that's been damaged due to the failure of the window sealing.

My final decision

For the reasons given above, I partially uphold Miss M's complaint about Red Sands

Insurance Company (Europe) Limited.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss M to accept or reject my decision before 11 March 2026.

Nimisha Radia
Ombudsman