

complaint

Mssrs N are unhappy with Allianz Insurance Plc's handling of a claim relating to lost keys.

All references to Allianz include the agents it appointed to deal with the claim on its behalf.

background

Mssrs N made a claim under the policy because they'd lost their keys. Allianz sent a locksmith to replace the locks. They changed the top lock successfully and cut a hole to try and fit the bottom lock, however the lock they tried to fit wasn't compatible. Allianz then said the lock was obsolete and out of stock. The door is now damaged and there is only one lock securing it.

Allianz denies damaging the door. It says the bottom lock was obsolete and Mssrs N should have been told this before the old was removed. It says it replaced the lock when it left the first time but when it returned, the lock had been taken out and the hole cut bigger. The original lock can't now be replaced because the door has been cut but denies that it did this. It therefore agrees the door needs replacing but says this isn't covered under the policy. However, it offered to contribute £1,100 towards the cost of a new door, as a gesture of goodwill.

Mssrs N say the new door will cost significantly more than this and have provided quotes ranging from £2,382 to several thousand pounds.

One of our adjudicators looked into the case and recommended that it be upheld. She asked Allianz to pay for a replacement door and pay Mssrs N £100 compensation for the inconvenience caused.

Allianz didn't agree but it did ask to see quotes for a new door.

Mssrs N say the quotes are high because the door frame also needs replacing. However, a quote provided by the locksmith appointed by Allianz says the door can be replaced without replacing the frame and could be done for £1,400. Allianz offered £1,400 but wouldn't agree to pay compensation. It says that the door would have needed to be replaced anyway, as Mssrs N had lost the keys and the original lock was obsolete. Therefore it considers its offer to be more than reasonable.

Mssrs N didn't accept the offer and so the matter has been referred to me.

my findings

I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint.

The policy provides cover of up to £800.00 for the cost of gaining entrance to the property and replacing locks if the keys have been lost or stolen. It doesn't cover the cost of replacing a door.

Allianz says that its locksmith replaced the bottom lock before leaving and denies cutting the hole bigger. However, I have no reason to doubt Mssrs N's account that this was done by the locksmith. It doesn't seem likely to me that Mssrs N would have removed the bottom lock

and cut the hole bigger, when it had been told a new lock had been ordered and Allianz would replace it.

However, although Allianz damaged the door, in order to determine what should be done to put that right, I have to consider what loss was actually caused. Allianz says that the door would have needed to be replaced anyway because a replacement lock couldn't be found. I've seen no evidence that would counter this. It therefore seems to me that this is probably right. And because Mssrs N had lost the keys the lock had to be changed. Therefore it does seem that Allianz has been reasonable in offering to pay towards the replacement.

It's not certain that the frames need replacing as well. The quote from the locksmith says not and that the door can be replaced for around £1,400. I therefore consider Allianz' offer to pay £1,400 is reasonable. I don't consider that I can reasonably ask it to pay any more for the replacement of the door, given it seems it would have needed to be replaced anyway.

I also agree with Allianz that this offer also adequately compensates Mssrs N for the inconvenience caused by its handling of the matter. It didn't cause the need for the door to be replaced, it's agreed to pay towards the replacement and so I don't think any additional compensation is warranted.

my final decision

I uphold this complaint against Allianz Insurance Plc in part. It should pay £1,400 towards the replacement of the door on receipt of suitable evidence that the work has been carried out.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mssrs N to accept or reject my decision before 11 April 2016.

Harriet McCarthy
ombudsman