

## **The complaint**

Mr T complains about Helvetia Global Solutions Ltd's offer to settle a claim he made under his caravan insurance policy.

Helvetia is the underwriter of this policy i.e. the insurer. Part of this complaint concerns the actions of its agents. As Helvetia has accepted it is accountable for the actions of the agents, in my decision, any reference to Helvetia includes the actions of the agents.

## **What happened**

In early 2023, Mr T made a claim under his caravan insurance policy with Helvetia after discovering water ingress in his caravan.

Mr T provided images of the damage and a quote from a local repairer. Helvetia sought a quote from its network repairer which was considerably lower than the one Mr T had provided. Helvetia told Mr T it would arrange the repairs and it would collect and return the caravan from Mr T's chosen address.

Mr T wasn't happy for the repairs to be carried out by Helvetia's approved repairer. He thought the damaged panel should be replaced rather than repaired. He was also concerned about his caravan being towed to Helvetia's repairer which was located around 250 miles away from his home.

Helvetia said it had considered the images Mr T had provided and repair had been deemed an appropriate course of action as it had not had any indication that a full panel replacement was needed. It said its approved repairer would guarantee the work for 24 months and it would be happy to review additional costs if there was further ingress through the crack after it had been repaired. Helvetia said its approved repairer carries out specialist repairs to damage of this nature, so it was necessary to transport the caravan to and from Mr T's home address and the cost of this had been factored into the estimate.

Mr T said water had entered the caravan and he felt the rear panel should be taken off to dry out before a new panel was put in place. He also thought his caravan should be transported on a low loader to avoid wear and tear on its tyres.

Helvetia said it was unable to uphold Mr T's complaint. In its response email, it said it had received an email from Mr T confirming a habitation check had been completed and water damage had been found within his caravan. It said Mr T would need to provide a new estimate to show the cost to repair so it could assess the next steps in relation to his claim. It would be reviewed by its underwriters for them to make their final decision regarding the additional cost.

Mr T remained unhappy and asked our service to consider his concerns. Our investigator didn't think Mr T's complaint should be upheld. She thought Helvetia's offer to settle the claim was fair and reasonable, in line with the policy's terms and conditions.

Mr T disagreed with our investigator's outcome. He said replacing the panel would put his caravan back to its pre-incident condition. He said the interior of the caravan was stained from water ingress. Nobody seemed to be taking this into account, even though he'd provided a quote to put it back to its pre-incident condition. He was concerned about wear and tear on his tyres from his caravan being towed such a long distance to Helvetia's approved repairer.

Mr T also commented that the insurance was on a "new for old" basis and the service he'd received from both the insurers and the Financial Ombudsman Service was far from satisfactory. He suggested that either a thorough and proper repair be carried out locally or the caravan be written off and he be given the full market value of it at present cost.

As Mr T disagrees with our investigator's outcome, 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.

Having done so, I've decided not to uphold Mr T's complaint. I'll explain why.

I thought it would be helpful to provide some clarity about the Financial Ombudsman Service's role and the scope of the complaint that I'm deciding. Our role is to resolve disputes between complainants and financial businesses, to help both parties move on. It isn't our role to handle a claim or to deal with matters as they arise.

To be clear, in this decision I have only considered matters complained of up until the date of Helvetia's final response email of 24 May 2023.

The policy's terms and conditions say:

*"The settlement of Your claim will be calculated as follows:*

*If repair is carried out, We will pay the cost of repair with deduction for wear and tear. If parts or accessories are found to be obsolete or unobtainable, We may use parts and accessories which are not supplied by the manufacturer. Alternatively, We may use parts of a similar type and quality to the parts We are replacing. If We are unable to repair, We may pay the last known list price for the part or accessory required plus an appropriate fitting charge.*

*We will not pay for the cost of replacing, repairing or changing any undamaged items or parts of items forming part of a set, suite, carpet or other items of common nature, colour, design or use. This applies if the other items can still be used and the damage only affects one part of the item."*

From what I've seen, Mr T sent Helvetia a couple of images showing a crack to the rear panel along with his claim form. He also provided a quote from his preferred repairer for £5,673 for repairs to the external damage. This included the cost of removing the back panel and replacing it with a new one.

Helvetia said it would issue the information to its repairer network to see if they could provide a comparative quote. It asked Mr T if he could provide some further images, but he said he didn't think further photos would make the claim any easier. He said he'd already received a quote from a different supplier which was £1,000 more than the one he'd provided.

The quote from Helvetia's approved repairer network was for £3,216 including transport collection and delivery.

I understand that Mr T feels the panel should be replaced, rather than repaired. However, I haven't seen sufficient evidence to conclude that the suggested repairs would be inadequate. So, I haven't found reason to doubt the expertise of Helvetia's experts. Moreover, Helvetia has said the repairs would be guaranteed for 24 months and it would be happy to consider additional costs if the repair work didn't fix the issue.

The policy's terms and conditions allow Helvetia to arrange for repairs to be carried out to settle a claim. The costs of using its own repairer to fix the caravan was much lower than the amount Mr T had been quoted by his preferred repairer. So, I think Helvetia's decision to offer to repair the caravan to settle the claim was reasonable.

Mr T has commented that the cover for his caravan is on a "new for old" basis. However, the terms of the policy would only entitle Mr T to the value of a new caravan in the event of his caravan being lost or damaged beyond economical repair. And I haven't seen anything to suggest that the damage was beyond economical repair.

The policy's terms and conditions say:

*"Following the loss or damage to the Caravan We will pay the costs of its protection and removal to the nearest competent repairers and return to Your Home..."*

I appreciate Mr T would prefer that his caravan wasn't moved so far away from his home for repairs, and he's concerned about the impact on his tyres. However, Helvetia says that the approved repairer is a specialist in the type of work needed to repair the caravan and the costs of transport was included in the quote. The policy's terms and conditions don't specify how a caravan will be moved to a repairer. So, I'm not persuaded Helvetia has acted unfairly here.

Mr T says Helvetia hasn't taken into account the damage to the interior of the caravan, even though he's provided a quote to put it back to its pre-incident condition. However, the quote he's provided is dated June 2023, so it appears to have been provided after Helvetia's final response email of 24 May 2023. This means I'm unable to consider his concerns about this as part of this complaint.

I know my answer will be disappointing for Mr T, but I think Helvetia has acted fairly and reasonably, in line with the policy's terms and conditions.

### **My final decision**

For the reasons I've explained, I don't uphold Mr T's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr T to accept or reject my decision before 15 February 2024.

Anne Muscroft  
**Ombudsman**