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Consumer Protection Code Department
Central Bank of Ireland
P.O. Box 559
Dame Street
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RE: Review of Consumer Protection Code – CP54 Consultation Paper

Dear Sirs,

We write with our comments on the proposed revision of the Consumer Protection Code.

On reviewing CP54, chapter 7 item 7.8d.

*“the **regulated entity** must offer to assist in making a claim, including, where relevant, alerting the **consumer** to policy terms and conditions that may be of benefit to the **consumer**.”*

In general many policies of insurance covering damage to buildings have additional cover allowing the consumer to employ an Architect, Surveyor or Consulting Engineer to assist the consumer to repair or rebuild the damage building or part thereof. The reasonable cost of such assistance is paid by the insurance undertaking.

A conflict of interest could arise where the insurance undertaking decides on whether such assistance is necessary or not. It could be in the interests of the insurance undertaking to deny such assistance and make savings in the ultimate payout of the claim. A denial of assistance could leave the consumer in a disadvantageous position in dealing with building repairs/renewal restitution works. In fairness to all parties should the insurance undertaking be obliged to explain in writing why an Architect, Surveyor or Consulting Engineer is not required where a consumer seeks such assistance? This is of higher importance where vulnerable consumers are involved.

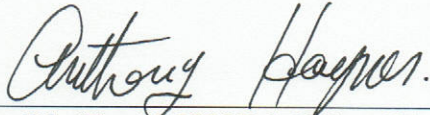
A new development is the practice where an insurance undertaking appoints the Architect, Surveyor or Consulting Engineer to supervise building restitution works in addition to conducting the restitution works. Surely such an approach has the potential to create a conflict of interest for the insurance undertaking where the consumer could be disadvantaged. To ensure fairness in such circumstances should the consumer be allowed, at a reasonable expense to be borne by the insurance undertakings, to engage their own Architect, Surveyor or Consulting Engineer?

On reviewing CP54, chapter 7 item 7.15b.

*“Where a method of direct settlement has been used, a **regulated entity**:b) must certify in writing to the **claimant** that the restitution work carried out by the third party appointed by the **insurance undertaking** has been carried out to restore the **claimant’s** property to the standard that existed prior to the insured event.”*

In some circumstances the claimant’s property where buildings are concerned must be restored to a standard better than that which existed prior to the insured event due to statutory Building Regulation requirements. Such improvements are usually covered under most policies of insurance.

Yours sincerely,



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