

The complaint

Mr and Mrs G are unhappy with how Great Lakes Reinsurance (UK) SE dealt with a claim under their home insurance policy for a water leak in their property.

What happened

The details of this complaint are well known to both parties and were explained at length by our investigator, so I won't repeat them again here. I want to assure Mr and Mrs G that I've read and considered everything they've submitted even if I do not mention it in detail. I've condensed the complaint and all of the information to reflect the informal nature of our service.

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.

It's clear that things didn't go as they should've done when the repairs were being carried out. It's agreed there were delays, and that some of the work wasn't done to the standard it should've been.

When a water leak occurs in a property it's always going to take some time to repair, especially as the property needs to be dried out before work can begin. This can be a time-consuming process. It's also not unusual to discover issues along the way which mean the repairs take longer than expected. There's also a real possibility of delays due to the number of different contractors and parties who are involved in repairs of this type.

Here there were three underground leaks which affected the main bathroom, the main and small hallways, a bedroom with an ensuite, and a study. To repair this the property needed to be dried out, both bathrooms had to be ripped out and reinstated, with redecorating done to the hallways, bedroom and study.

Looking at the timeline of events it's clear there were some avoidable delays. But it's also clear that because of the extent of the repairs needed it was always going to take quite some time. Mr and Mrs G say they expected the repairs to take no longer than 3 to 4 months. Considering the list of work to be done this appears to be a very conservative estimate, and I think it was always going to take quite a bit longer. But on the other hand, it shouldn't have taken as long as it has.

To put things right for what happened Great Lakes have agreed to pay £1,000 for trouble and upset caused. Mr and Mrs G feel this doesn't cover the time it has taken to have the repairs done nor the effort they went to chasing up progress. They've also explained about missing family events, visits to the property and disruption to their daily lives. Some of the disruption was always going to happen because of the nature of the problem. And the disruption was also always going to go on for several months due to the repair works required. But again, the disruption shouldn't have lasted as long as it did.

Mr and Mrs G are looking for considerably more compensation than Great Lakes has agreed to pay; at least £15,000. I don't underestimate the impact of what happened, and no amount of money can change this. However I think it's important for me to say that my role isn't to punish a business or fine it for areas of its service which have let Mr and Mrs G down. My role is to look at the complaint impartially, and where something has gone wrong, award compensation which I consider to be fair and reasonable.

After carefully considering everything, including how the claim was handled and the impact this had, I'm satisfied £1,000 is fair compensation for this complaint.

As well as compensation there is the matter of outstanding works to the property.

Great Lakes has agreed to a list of remedial repairs. Mr and Mrs G say they would prefer to use their own builders to finish the work that needs to be done.

I can see why Mr and Mrs G feel this way after the problems they've had. However in my impartial role I need to consider if the proposed remedy is fair on both sides; and I think it is. Great Lakes agreeing to fix the outstanding problems seems a fair outcome.

Having considered everything carefully I'm satisfied the £1,000 payment and the completion of the remedial work by Great Lakes is a fair and reasonable way of resolving this complaint. That's not to say that Mr and Mrs G haven't been affected by what happened, they clearly have. However I'm happy the resolution agreed by Great Lakes is fair compensation for the complaint.

Putting things right

To resolve Mr and Mrs G's complaint Great Lakes Reinsurance (UK) SE should pay them £1,000 for trouble and upset caused by the way the claim was handled.

Great Lakes Reinsurance (UK) SE should undertake the remedial work listed below:

- Pay to repair damage to a leather arm chair
- Repair or replace two chipped toilet seats
- Repair or replace the chipped quartz top in the main bathroom
- Repair or replace the scratched bathroom cupboards in the main bathroom
- Repair the inconsistencies in the paintwork on the walls
- Fix a hole in the bath
- Repair the shower tray
- Clean and buff the quartz worktops
- Investigate and repair a bulge above the toilet

There's also an outstanding cost incurred for electricity used in the drying process. Reasonable costs for this should be paid to Mr and Mrs G subject to providing proof of payment.

When all of the work is done, and if required, Great Lakes Reinsurance (UK) SE should organise with Mr and Mrs G for the works to be signed off.

My final decision

For the reasons I've explained above, my decision is that I uphold this complaint. To put things right Great Lakes Reinsurance (UK) SE should take the action I have outlined above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs G and Mr G to accept or reject my decision before 11 February 2021.

Warren Wilson

Ombudsman