

## **The complaint**

Mr S complains about the level of service received from Allianz Insurance Plc following claims against his buildings insurance.

Reference to Allianz include the actions of their agents.

## **What happened**

The background to this longstanding dispute is well known to all parties. Mr S has provided very detailed submissions to support his complaint. He's also told all parties of the impact this dispute has had on him, his physical and mental health, and wellbeing.

As all parties are aware of the background to it, rather than repeating in detail what happened, I'll summarise my understanding and focus on what I consider to be materially relevant to the complaint.

In summary, Mr S raised separate escape of water claims to Allianz in 2017. Allianz accepted the claims and instructed contractors to carry out trace and access, and repair works, amongst other things. Several claims were running concurrently.

Throughout the claim process, Mr S says he was left chasing for updates frequently. He says communication was poor and he had to write to Allianz several times to receive information. Mr S had informed Allianz very early on of his medical history and conditions, and throughout the claims, and how things were impacting him.

Once the first 2017 claim was accepted, Allianz say repairs were due to run for only a few weeks. However, delays were caused by poor workmanship and communication, so it ran on longer. For example, Mr S says tiles initially fitted had to be removed and refitted due to poor workmanship. Allianz say as more than one claim was running, this caused challenges.

Throughout the claims, Mr S says he experienced multiple issues. He says this was due to poor workmanship, communication and a lack of consideration given to his health. He also says, despite Allianz being aware of how writing emails impacted him, he was left to chase for updates. Mr S says contractors left works unfinished to a poor standard, which had to be corrected constantly. As an example, he says his property had to be repainted multiple times due to the paint used, and workmanship, amongst other things.

Also, for periods, Mr S says he was left without essential washing facilities. He had to use a sink to wash and had no access to a downstairs toilet which caused him difficulties and distress. Mr S says his medical conditions require him to wash several times a day.

Further issues were raised in 2018, 2019 and 2020. Mr S continued to report snagging issues that hadn't been put right following the 2017 escape of water incidents. As such, Mr S says his property was left in a poor state of repair, which he says he had to argue with Allianz, who at points had told him they felt his property was habitable. Mr S didn't agree and provided detailed submissions, and photographs, to evidence this, which had a negative impact on his health.

Mr S also says he raised several complaints with Allianz whilst the claims were running, and snagging issues outstanding. He says his complaints were either ignored or not addressed adequately. Specifically, Mr S says he wasn't being listened to, and was made to feel as though his concerns were being exaggerated. Mr S also says he requested the information Allianz held on him, in November 2019, but to date this hasn't been received. And Mr S is concerned about the information Allianz holds on both his claims and complaint files.

Mr S says the key themes throughout the claims process were a lack of communication, organisation, and poor management and workmanship. And despite his best efforts, issues remained in 2022. He didn't think Allianz considered his health circumstances and in turn caused him pain, suffering, distress, and inconvenience due to the way things were handled.

Mr S says he had to travel to stay with his mother who lived approximately 90 miles away whilst works were undertaken. And had to travel back and forth regularly, taking breaks due to his health. He says alternative accommodation was a concern of his, wasn't extended when it should have been, and Allianz failed to consider his circumstances in this respect. Alternative accommodation was offered at periods, but Mr S said the options were inappropriate.

Mr S also had six large dogs living with him at his property. And his dogs were put into kennel facilities for prolonged periods. He says payments to the kennel facility were late, which resulted in him being threatened with legal action due to non-payment. And other late payments impacted his ability to pay for private healthcare.

There are several complaint points that had been raised by Mr S which he thinks have either been ignored or not responded to adequately. Another issue Mr S raised was the dust in his property, following repairs, he says was dangerous to him and his dogs.

The physical claim issues were progressing, and in 2021, Mr S and Allianz agreed a way forward to resolve the outstanding issues. This included replacing the boiler installed by Allianz, and repairing the bathroom and ensuite decorative work, amongst other things. A new contractor was also appointed to undertake the works to finalise the physical claim issues.

Allianz did respond to Mr S's complaint – albeit Mr S didn't think they responded adequately – in 2020. Their response addressed several points. They agreed things should have been handled much better, and more consideration should have been given to Mr S's circumstances. All parties have seen Allianz's 2020 final response, so I won't repeat it here. In summary, however, Allianz offered to pay Mr S £3,000 compensation for any distress and inconvenience caused. Mr S didn't think this was fair, and felt the offer was made too prematurely, given issues remained with repairs.

Mr S approached our service in 2020. It was agreed by all parties, and our service, that the physical claim issues be resolved ahead of our service's involvement. It was also agreed, given the number of complaint points, that the complaint be split into two parts. As such, once a way forward had been agreed to resolve the physical claim, our investigator went on to consider the overall service provided to Mr S by Allianz. He didn't consider the following complaints points under this complaint:

- The impact the claims could have on Mr S's current and future premiums;
- How the claims were recorded on the Claims Underwriting Exchange;
- Whether Allianz were responsible for causing the 2018 and subsequent escape of water incidents; and
- The policy excess payments paid by Mr S.

Our investigator considered the complaint and recommended it be upheld. He didn't think Allianz treated Mr S fairly, so he recommended they pay £5,000 compensation for any distress and inconvenience caused to Mr S due to the way things were handled. He also thought Allianz should provide Mr S with the information he requested, in November 2019.

Allianz agreed, but Mr S didn't.

Mr S didn't think the compensation amount went far enough to recognise the impact things had on him. The initial claim was reported in 2017, but issues remained in 2022. He thinks the compensation amount should be increased to recognise the extreme level of pain, suffering, distress, and inconvenience he experienced due to the way Allianz treated him. Mr S also says he's been left out of pocket. So, he asked for an ombudsman to decide, so the case was passed to me for a decision.

It's important I set out the progression of the physical claim and complaint issues since the matter was passed to me.

I contacted all parties after the complaint was passed to me given the number of issues outstanding. Since my involvement, all parties have agreed that, following the new contractor's appointment, the physical claim issues have been resolved to Mr S's satisfaction. I also discussed the level of compensation with all parties, and the amount that's been put to Mr S in full and final settlement, totals £10,500.

Allianz agreed to accept this amount to bring this longstanding dispute to a final resolution. The amount recognised the pain, suffering, distress, and inconvenience caused to Mr S. And, the amount Mr S says he's out of pocket, which included additional fuel and electricity costs, and tile lippage, amongst other things.

After this amount was put to all parties, I provided them with a final opportunity to respond to this. Allianz agreed to this resolution, but Mr S didn't, so I'll now set out my final decision on the matter.

### **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.

Before I go on to set out my decision, I must explain I've not considered the points set out above (bullet pointed), as this is being considered as a separate complaint. I must also explain, if an aspect hasn't been mentioned specifically in my decision, that doesn't mean it's been overlooked or ignored. Rather, I've focused on what I consider to be materially relevant to the complaint. This isn't meant as a discourtesy, it simply reflects the informal nature of our service.

Turning to the complaint, what's clear is things should have been handled much better overall. This is a longstanding dispute involving multiple claims, poor communication, workmanship, and above all, a failure to minimise the impact on Mr S. He took out insurance to alleviate the impact on him, should a claim arise, and I think it's fair to say Allianz let him down.

Mr S made Allianz aware of his health circumstances and how the claims were impacting him early on, in 2017, and throughout. I accept Allianz say they should have done more in this respect, but there is no doubt in my mind, that the way things were handled caused Mr S pain, suffering, distress, and inconvenience – over and above what's naturally expected following multiple escape of water claims.

I've made my view clear to all parties I think part of the reason why the claims ran on for as long as they did was due to poor workmanship when attempting to put matters right. I've seen several examples of work having to be redone and put right due to this. Mr S told us his property was repainted ten times which is just one example of what I consider to be poor workmanship. I've seen several other examples, some of which were resolved in 2021 and 2022 as part of Allianz's action plan to bring the physical claim issues to a resolution.

Another reason I think the claims ran on longer than reasonable was due to the level of communication between Allianz and their contractors. Mr S was left chasing for updates frequently which he made clear impacted his health. The lack of communication between Allianz and their contractors is further evidenced by Allianz's comments that, at times, Mr S had more information than they did regarding what was happening. I find the lack of clear oversight from Allianz caused unnecessary distress, delays, and inconvenience to Mr S.

Mr S also says he had to travel to stay with his mother, making approximately 60 trips in 2017, and 413 in 2018. He told us he had to take regular breaks whilst travelling due to his health. And in some instances, was asked by police why he had stopped on the roadside. He says he had to travel back and forth to attend medical appointments and carrying out these trips caused him to experience pain and suffering due to his health circumstances – as well as distress and inconvenience.

I appreciate it could have been challenging for Allianz to secure appropriate alternative accommodation at periods. I say this because Mr S had six large dogs living with him. His dogs were put into kennels for significant periods. And, Mr S was threatened with legal action due to non-payment, which would have been very distressing and worrying. But, I also think, had Mr S's circumstances been fully considered, this could have minimised the need for him to make multiple trips to and from his mother's house.

Mr S also says he was without basic washing facilities when he did stay at his property for periods, and had to wash in a sink, and had no access to a downstairs toilet. Mr S says his health requires him to wash throughout the day, and he described the impact of having no access to a downstairs toilet which I was very sorry to hear. I've no doubt the impact having no access to a downstairs toilet would have been very upsetting and distressing for Mr S.

In this decision, I've highlighted examples of what I consider lengthened the period these claims ran on for – and the impact these issues, and the way things were handled, had on Mr S.

I accept multiple escape of water claims running concurrently, and repairs, would have been challenging for both Mr S and Allianz. But overall, based on what I've seen, had the communication, organisation, and repairs been handled better, the impact on Mr S would have been far less extreme – and the claims would have been resolved much sooner than they eventually were. And it's because of this, I think Mr S has had to endure unnecessary and prolonged pain, suffering, distress, and inconvenience.

I told Mr S my role here was to find a fair and reasonable resolution I felt put matters right, and importantly, would enable him to move on from what really has been a rather devastating period for him. Given the issues Mr S raised, and the length of time this dispute has been running, it is difficult to quantify within a monetary value that truly reflects the impact on him. I'm aware Mr S understands this.

The crucial part of the matter was to progress the physical claim issues, and I'm pleased to note Mr S is satisfied with the works that have been carried out by the new contractor, and the physical claim issues have now been put right.

Returning to the compensation amount, I agree things should have been handled much better overall, and the impact this had on Mr S should be considered in my view as extreme. As such, I'm satisfied £10,500 is fair, reasonable, and proportionate in respect of the pain and suffering, distress, inconvenience, and compensation for his financial losses he experienced due to the poor handling of these claims – since 2017.

I know my decision will come as a disappointment to Mr S. I am hoping however, following my involvement and our conversations, Mr S is of the understanding I agree with him the past few years have been extremely difficult. And I've no doubt, particularly due to his health, the impact on him was far greater than what it should have been, because of the way things were handled.

In relation to the second complaint Mr S made, I understand he's concerned about the information Allianz hold on his claims and complaint files. To alleviate his concerns, he requested Allianz provided the information they held on him, in 2019. Mr S says Allianz failed to fulfil this request.

Allianz will be aware of their obligations to Mr S in this respect, and whether they have fulfilled these obligations or not. Based on what Mr S has told us, I haven't seen supporting evidence that demonstrates this has been fulfilled. Mr S has the option of contacting the Information Commissioner's Office (ICO) in respect of his concerns of how Allianz might have handled his data, and his 2019 information request. In fact, given Mr S's concerns, this aspect of his complaint might be better suited to be directed to the ICO.

Returning to this complaint, even if there is a potential information request outstanding, having carefully considered everything Mr S has told us, I'm satisfied it's appropriate I make my final decision on this complaint outlining what I consider to be fair and reasonable in the circumstances. And overall, I find £10,500 compensation is fair, reasonable, and proportionate to the level of impact the handling of these claims had on Mr S, for the reasons I've mentioned above.

### **Putting things right**

In concluding, I absolutely accept this has been a very difficult time for Mr S. I don't find Allianz treated him fairly and could have done more to mitigate the impact on him. As they failed to do so, Mr S experienced unnecessary pain and suffering, distress, and inconvenience as a result.

And it's because of this, I now require Allianz to pay Mr S £10,500 compensation (less any amounts of compensation already paid following our investigator's recommendations).

### **My final decision**

My final decision is I uphold this complaint. I now require Allianz Insurance Plc to put matters right and pay Mr S £10,500 compensation (less any compensation amounts paid to Mr S following our investigator's recommendations).

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr S to accept or reject my decision before 29 March 2022.

Liam Hickey  
**Ombudsman**