

The complaint

Mr H complains about the way his claim for damage caused by an ingress of water to his property was handled by Ocaso SA, Compania de Seguros Reaseguros ("Ocaso").

All references to Ocaso in this decision include its appointed agents.

What happened

Mr H made a claim in January 2020 for damage following an ingress of water to his home, after an incident which occurred in December 2019.

Ocaso appointed contractors to inspect the damage and shortly after this, it accepted the claim and proceeded to carry out drying work and repairs. Mr H was unhappy about the way the repairs were carried out, and the time this took. He also said some of his contents had been damaged in the process. So he complained to Ocaso.

Ocaso agreed that some of the repairs were not carried out properly and agreed to cover the cost of some of the wallpaper, offered some compensation for the damaged contents and some compensation for distress and inconvenience.

Mr H was unhappy with Ocaso's response to his complaint and didn't accept its offers, so he referred the complaint to this service. Our investigator considered the issues and ultimately concluded that Ocaso hadn't acted fairly. She said Ocaso hadn't put Mr H back in the position he would've been in had the loss not occurred, so it needed to do more.

Because Ocaso hasn't responded to our investigator to say whether it agrees with her assessment or not, the complaint has now come 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 agree with our investigator for the following reasons.

I appreciate that the claim has been ongoing for some time, and there were several areas of the property affected. I won't address everything that Mr H has complained about – only those items which remain outstanding to date – in order to bring matters to a close.

An independent inspection of the wallpaper demonstrated that it had been poorly hung. Ocaso's offer for redoing the wallpaper fell short of what Mr H has shown it will cost him to remove and replace the damaged wallpaper in the property. Ocaso offered £881.38 but Mr H has shown it will cost him £1,308.70 to put things right.

As Ocaso did not offer to redo the work itself by instructing its own contractors and chose only to cash settle this part of the claim, it wouldn't be fair for Ocaso to only offer Mr H what it would cost its contractors to carry out the work. Instead, Ocaso should pay Mr H the full £1,308.70 for this part of the claim, deducting only what it has paid towards the poorly hung

wallpaper so far.

Ocaso has, to date, failed to provide evidence in respect of the washing machine and hob, which Mr H says were damaged by the leak. As the items were located in the kitchen where a large amount of water ingress occurred, I'm persuaded by what Mr H has told us and think Ocaso should assess the damage to these items and, if water damage is evident, these items should be covered under the claim, in line with the policy terms. This includes looking at the faulty gas connection which Mr H says was made when the hob was reinstated, and which resulted in emergency work costing £2,880. This is evidenced by an invoice provided by Mr H and I would expect Ocaso to include the cost of this reinstatement work in any offer it makes once it has assessed the damage to these items.

Ocaso has offered £100 towards damaged contents. However, Mr H has provided us with evidence to show the music stand will cost £80 to repair. So bearing in mind Mr H says the candlestick holder and vase were also damaged as a result of Ocaso's handling of the claim, and Ocaso hasn't responded to this or provided any further evidence to refute this, I'm satisfied Ocaso should reconsider its offer of £100, increasing this to take account of the fact that the music stand will cost £80 to repair and paying a fair amount to replace the candlestick and vase in line with reasonable valuations.

Ocaso has said that delays in the handling of the claim were largely caused by the pandemic. Whilst I appreciate the difficulties businesses have had in progressing claims during that time, I'm also aware that Mr H has spent considerable time and effort in pursuing this claim and that this has been very stressful for him. And I'm satisfied that Ocaso's contractors could've done a better job and that Ocaso could've made more reasonable settlement offers much earlier on in the process. So I think it's fair that Ocaso pay Mr H £150 for the avoidable distress and inconvenience caused to him.

Putting things right

To put things right for Mr H, Ocaso SA, Compania de Seguros y Reaseguros must now:

- Pay Mr H a total of £1,308.70 for the faulty wallpaper (less any amount it has paid already towards this).
- Reassess the damage to the washing machine and hob and consider these items as part of the claim, (including the repairs to the faulty gas connection) in line with the policy terms.
- Reconsider its offer to repair or replace the contents damaged during the claim.
- Pay Mr H £150 compensation for distress and inconvenience.

Ocaso SA, Compania de Seguros y Reaseguros must pay any compensation within 28 days of the date on which we tell it Mr H accepts my final decision. If it pays later than this it must also pay interest on the compensation from the date of my final decision to the date of payment at 8% a year simple.

My final decision

My final decision is that I uphold this complaint and require Ocaso SA, Compania de Seguros y Reaseguros to put things right as I've set out above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr H to accept or reject my decision before 22 September 2022.

Ifrah Malik
Ombudsman