

The complaint

Mr and Mrs H complain about the way U K Insurance Limited (“UKI”) handled a claim for subsidence under their buildings insurance policy.

What happened

Mr H brings this complaint on behalf of himself and his wife so I’ll refer to him throughout. References I make to Mr H and UKI include respective representatives and agents.

The background to this complaint is well known to the parties so I’ll provide a summary here.

- In 2017, Mr H noticed cracking to the extension of his property and sometime later made a claim on his buildings insurance. UKI accepted the claim and undertook remedial work. Unhappy with various aspects of how UKI handled the claim, Mr H made a number of complaints to UKI over the following years.
- He made a further complaint in October 2021 about the fitting of doors and further delays. UKI apologised and awarded £250 in compensation.
- Our Investigator considered the evidence, upheld the complaint and told UKI to pay an additional £500 for the further delays and the inconvenience it caused. UKI thought this was too much but this didn’t change our Investigator’s mind so the complaint has come to me for an Ombudsman’s decision.

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.

- Mr H made three previous complaints about various aspects of UKI’s poor claim handling, unnecessary delays and the distress and inconvenience these all caused him. UKI apologised and paid compensation for the various things it got wrong.
- Mr H understands these previous complaints weren’t raised with this Service within the required timescales so aren’t something we have the power to consider.
- So my decision focuses on UKI’s actions from February 2021 – when it issued its previous final response – to October 2021 when it responded to Mr H’s most recent concerns. Our Investigator detailed a timeline of this complaint so I don’t propose to repeat that here.

The replacement door

- There were multiple failed attempts at fitting a new door at the property. These included one of the doors being bowed through incorrect storage, an incorrectly sized replacement door being ordered and then the further replacement being damaged and requiring repairs which Mr H refused, understandably, in my view.

- Eventually the door was fitted but this had taken approximately six months. UKI says some of the causes of the delay were out of its hands, for example, due to manufacturing lead times. But even if it had problems with its suppliers, Mr H still experienced an unacceptable level of service and unnecessarily long delays.
- I understand why this would have caused him distress and inconvenience over this extended period of time and I'll be keeping this in mind when deciding on the award UKI must pay him.

Failed works by previous contractor

- Mr H identified the pointing of the bricks installed by UKI's contractor had started to crumble and needed to be addressed. Despite Mr H pointing this out to UKI it was slow to make arrangements for the remedial work to be undertaken.
- It says this was partly due to a problem with computer systems and so something it didn't have control over. But even if it did have problems with computer systems, Mr H was still left uncertain about when the appointment would be booked and the work undertaken.
- It still took more than two months and some proactive contact with UKI on Mr H's part for the problems with the pointing to be rectified.
- This all added to the distress and inconvenience Mr H experienced.
- UKI said it had already paid compensation for the poor work undertaken by its contractors under a previous complaint. But the problems with the pointing were discovered some time after this and so weren't covered by that previous complaint or award.
- So I'll be considering the impact of these problems when deciding on the award I direct UKI to make.

Putting things right

Overall, I've concluded UKI failed its duty to handle claims promptly and fairly and hasn't done enough to recognise this.

I have to keep in mind here this is the fourth time Mr H has felt he had to complain to UKI about how his claim was being handled. I acknowledge UKI has already responded and dealt with the previous three complaints and has paid compensation for its poor handling.

And while I won't be awarding compensation for issues raised with us too late, I have kept in mind the impact of having repeated incidents of poor service is likely to cause each subsequent one to be more stressful to deal with due to the cumulative inconvenience and frustration. So, by the fourth complaint, the impact on Mr H is likely to be significantly greater.

I've thought about this very carefully and having done so, I've decided UKI should pay Mr and Mrs H an additional £500 on top of the £250 it's already paid them, for all the reasons I've described above.

My final decision

My final decision is that I uphold this complaint and direct U K Insurance Limited to pay Mr

and Mrs H an additional £500 in addition to the £250 it's paid them already.

U K Insurance Limited must pay the compensation within 28 days of the date on which we tell it Mr and Mrs H accept 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.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr H and Mrs H to accept or reject my decision before 13 July 2022.

Paul Phillips
Ombudsman