

The complaint

Mr C's complaint is about the handling of a claim under his home insurance policy with U K Insurance Limited ("UKI").

What happened

I issued a provisional decision on this matter in October 2022, which set out the background to the complaint and my provisional findings. I have copied the main parts of my provisional decision below:

"In March 2020, Mr C discovered a leak coming from the bathroom which had caused damage to the bathroom floor and the porch below. The leak itself was repaired by Mr C's home emergency insurance provider. He made a claim under this home insurance policy with UKI for the repairs needed to the bathroom and porch.

The claim was accepted and the work started in August 2020. Mr C was told it would take three weeks to complete but he says it took around nine weeks in total and the work to the bathroom was still not finished to an acceptable standard. Mr C is very unhappy with the way the claim was handled. Mr C has raised a number of issues with the workmanship and service provided by the contractors and the handling of the claim by UKI. I've summarised his main points below:

- Around ten bathroom tiles were damaged when accessing the floor. UKI agreed to pay for the replacement of the damaged tiles but as they could not be matched, it said it would pay a 50% contribution towards the cost of replacing the undamaged tiles.
- He was pressured into having all the tiles in the bathroom replaced, which meant he had to pay £1,000 towards that work, in addition to the £450 policy excess.
- He paid a lot of money for the tiles, to make sure they matched but the contractor failed to order enough tiles and had to reuse and repair broken and damaged tiles.
- Initially he was told by the contractor he'd have to pay 50% of the whole claim (not just for the tiles). It was only after intervention from UKI that this was resolved. He considers this was a deliberate act to try and defraud him and UKI, as the contractor was trying to get him to pay for work it was already being paid for by UKI. Mr C wants it investigated whether this has happened to other customers.
- The contractor also told him the bath and toilet would be damaged when they took them out to repair the floor and that he would have to pay for replacements. He had to pay for a new bath and had to get the cheapest bath he could at the time.
- The contractors used a flexible toilet waste pipe, instead of a solid one, which is more likely to leak. When the fitter was working, he said the waste pipe was loose and they had to return to fix it.
- He had to pay his contribution of the costs before the work was completed, which meant he had no leverage when things went wrong.
- The workmanship was not up to standard. He had to reseal the bath himself, as this was not done properly; the sealant around the sink unit had to be redone; the sink now sits slightly embedded in the soil stack and no longer sits flush against it, as the

contractors constructed the soil stack differently; the radiator had been left covered in paste and they then tried to resolve this by putting unsightly sealant tape on it; and a shelf at the end of the bath was fitted the wrong way around. He had to oversee what was being done to ensure it was done correctly.

- He should have had the bathroom put back to the condition it was in before the leak but it wasn't, even though he paid a considerable amount towards the work.
- It took nine weeks to complete work that should have taken three weeks and he was without proper use of the bathroom for a total of around six months. There were periods when no one turned up for several days.

UKI accepted that there were failings in the service provided. It acknowledged there had been problems with the ordering of materials; avoidable delays; a failure to provide Mr C with updates or answer his queries; cancelled jobs; failed to liaise with other contractors, delayed ordering parts; and that overall the work took far longer than was necessary to complete. UKI said it would feedback to the contractor and would also look into the workmanship and offered £250 compensation. After the complaint was brought to us, UKI offered to pay a total of £450 compensation, so an additional £200.

One of our Investigators looked into the matter. He concluded that the increased offer of compensation from UKI was fair and reasonable in all the circumstances.

Mr C initially accepted the Investigator's assessment but this was because he thought UKI was offering £450 in addition to the £250 already paid. Once he realised UKI intended to pay only an additional £200, he did not accept it.

As the Investigator was unable to resolve the complaint, it has been passed to me.

Mr C's policy provides cover for damage caused by an escape of water. The main damage was to the flooring of the bathroom. I understand there was also damage to a carpet and ceiling but those were dealt with without any issues.

Replacement bath and toilet

The bath and toilet were not apparently damaged by the escape of water but were damaged in the course of the repair of the floor that was water damaged. If the bath and toilet only needed to be replaced because the insured repair could not be completed without damaging them, then the cost of replacements should have been covered by UKI in my opinion. UKI would only be liable for like-for-like replacements. Mr C says he had to opt for the cheapest ones possible at the time, as he had not been planning to replace them at that time.

I do not have any information about the cost of those, so would ask Mr C to provide further information with receipts or bank statements if possible to show the costs of them and that they were like-for-like replacements of the damaged items. If he is able to do that then I intend to require UKI to reimburse him the cost of the toilet and bath, together with interest at our usual rate.

Bathroom tiles

Some of the tiles were damaged in the course of carrying out the repair of the leak itself. UKI correctly agreed to pay for replacement of the damaged tiles. However, I understand the replaced tiles would not match, so it was agreed that all the tiles would be replaced. The policy provides that in this situation, UKI would pay 50% towards the cost of replacing undamaged tiles and Mr C would have to pay the remainder. This is not unusual or unfair in my opinion and I do not think Mr C is disputing this. However, he is unhappy that having paid so much for the tiles to be replaced, many of them were repaired and reused.

Mr C has provided photos of the tiles. While I have no reason to doubt what he has said about the tiles, it is difficult to see any damage on the tiles in the photos. If they were repaired adequately and it is not visible then I can't say it was not adequate work.

Allegation of fraud

I understand the contractor tried to charge Mr C more than just the 50% of the cost of the tiles, which meant he was being charged for work that was to be paid for by UKI. I can understand Mr C's concern but I do not think there is enough evidence that this amounts to fraud. In any case, I cannot investigate if other customers have had the same issue, as I can only look into the handling of Mr C's claim.

Delays and workmanship

I understand there was some delay in the contractors attending the property to inspect the damage initially as there was still a Government lockdown due to the Covid-19 pandemic at that time. The contractors attended in June 2020 and provided a quote, including for the items Mr C was being asked to pay for himself. There was discussion about the quote but it was not until 3 August 2020 that the start date for the work was confirmed. I think this could have been done more quickly than it was. It then took around six weeks longer than planned to complete the works.

In addition, Mr C has provided evidence of problems with the workmanship. The photos Mr C provided show that some silicon around the sink was not done properly but he says this was redone, he had to redo the silicon around the bath, the radiator was left covered in paste and then with tape. The photos also show the sink is slightly embedded in casing for the soil stack and other issues and the trim to the corner is not flush. The photos clearly show that there were issues with the standard of the work.

UKI had arranged to look at this in late September/early October 2020. However, it also said in its final response letter dated November 2020, that it would contact Mr C the following week to discuss the outstanding problems with the workmanship. I do not know if any further appointments took place.

I can understand how frustrating the poor workmanship would have been. Some of the issues have apparently been rectified but this and the delays meant that there were additional appointments Mr C had to accommodate and that he had the upheaval and disruption of contractors in and out of his home more times and for longer than should have been necessary. In addition, there are some items like the positioning of the sink unit and the trim, which Mr C says he has had to accept as he did not want any more upheaval.

The Investigator suggested that some of this was private work and therefore UKI was not responsible for anything done wrong by the contractors. I don't agree. The only technically private work was 50% of the replacement of undamaged tiles but as this was part of a larger contract of insurance work, I think UKI is responsible for anything done wrong by the contractors.

Having taken everything into account, including the entire time to complete the repairs, the additional appointments required, the problems with the quality of work, and the outstanding issues with that, as well as the lack of updates and problems with communications, I consider that a total of £850 compensation is appropriate. This is to include the £450 already offered. So if UKI has already paid any compensation that can be deducted from the £850.

My provisional decision

I intend to uphold the complaint against U K Insurance Limited and require it to do the following:

1. reimburse the cost of the bath and toilet, upon production of satisfactory evidence of the cost of like-for-like replacements, together with interest at 8% simple per annum from the date Mr C paid for them to the date of reimbursement; and
2. pay Mr C the total sum of £850 (to include the £450 already offered) as compensation for the distress and inconvenience caused by its handling of the claim."

Responses to my Provisional Decision

I invited both parties to respond to my provisional decision with any further information or arguments they want considered before I issue my final decision.

Mr C has responded with some further points and information, which I have summarised below:

- He has not been able to find the receipt for the bath but think it cost around £150, including VAT.
- He has provided a copy of the order confirmation dated 17 August 2020 for the toilet which shows he paid £164.42 for it.
- He mentions again the problem with the bath panel: not being told the size or how to measure for it, so he had to order one that could be cut to size, so it is less rigid than it should be.
- The original bath had an integrated plug and has had now a plug on a chain, which is out of character with the rest of the bathroom fittings.
- The workmanship issues are still a concern and not all have been resolved. He was told the soil stack would need to be started again but he could not face any more upheaval, so resigned to live with it as it is.
- Basic mistakes that should not have been made by any competent tradesperson were made, such as putting the shelf at the end of the bath the wrong way round, so water would have pooled in the corner instead of flowing into the bath. This was resolved quickly when he pointed it out but should not have happened.
- The photos he sent show the number of chipped and damaged tiles. Most of these were repaired or replaced but the point is that the contractor thought this was acceptable workmanship and was all an avoidable consequence of the contractor not ordering enough tiles.
- With regard to his concerns about fraud. His issue was resolved but only because he requested an itemised bill, which made it clear he was being charged for work covered by the insurance claim. However, he wants UKI to challenge the contractor to provide evidence they have not overcharged other consumers.

UKI has not responded to my provisional 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 C has provided evidence of the cost of the replacement toilet. He has not been able to provide evidence of the cost of the bath but recalls it was around £150. Even though he has not been able to provide a receipt for this, I think it is reasonable for UKI to reimburse this cost. It has not been disputed he paid of the replacement bath and this cost would indicate it was of similar (or lesser) value of the original bath. I therefore consider it should pay the total of £314.42 for these items together with interest from the date he paid for the toilet (which appears to be 17 August 2020) to the date of reimbursement.

Mr C has restated his frustration and concern about the standard of workmanship of the contractors. I acknowledged these concerns in my provisional decision and agreed with Mr C that the evidence was that there were issues with the standard of work, including the bath shelf, the soil stack and the tiles; and that while some were resolved, they would all have caused additional trouble in being rectified. I also acknowledged that the soil stack issue had not been rectified and Mr C had decided to accept it to avoid more upheaval. I considered all of this in determining the level of compensation I considered appropriate. I provisionally determined that a total of £850 would be appropriate and I see no reason to change that.

With regard to the overcharging by the contractors, Mr C asks again that the contractors be challenged about overcharging to ensure they have not done the same to other customers. I have no power to require UKI to do this, though it may decide to itself, as I can only consider Mr C's individual complaint.

My final decision

I uphold this complaint against U K Insurance Limited and require it to do the following:

1. reimburse Mr C the cost of the bath and toilet (*i.e.* £314.42) together with interest at 8% simple per annum from 17 August 2020 to the date of reimbursement; and
2. pay Mr C the total sum of £850 (to include the £450 already offered) as compensation for the distress and inconvenience caused by its handling of the claim.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr C to accept or reject my decision before 8 December 2022.

Harriet McCarthy
Ombudsman