

## **The complaint**

Mr and Mrs M complain about UK Insurance Limited (UKI)'s handling of their claim, under their home insurance policy.

## **What happened**

Mr and Mrs M had an escape of water at their home. They contacted UKI who carried out repairs. But, as they experienced issues with those repairs, they complained to our service and this was looked at. This new complaint relates to further damage to Mr and Mrs M's ceiling, in the form of cracks that started to appear a few months after Mr and Mrs M's original complaint had been considered.

UKI accepted that Mr and Mrs M had encountered service that had fallen below its usual standards. In that, it acknowledged that Mr and Mrs M had been given conflicting information about the cause of the damage to the ceiling and the next steps. That Mr and Mrs M made numerous phone calls to chase for updates, and some weren't responded to. UKI also said that it felt that the delay in dealing with the issue was around six months. But confirmed that it had paid for the ceiling to be repaired by Mr and Mrs M's independent contractor.

For these errors, UKI offered Mr and Mrs M compensation of £250 for the trouble and upset caused. Mr and Mrs M were unhappy with this resolution as they felt UKI didn't consider the substantial impact on them. And so, referred a complaint to our service.

One of our investigators considered the complaint and ultimately thought it should be upheld. He said that he considered whether the compensation offered was fair given the impact and the delay experience by Mr and Mrs M. He recommended that UKI pay Mr and Mrs M a total of £400.

UKI accepted the view, Mr and Mrs M did not. They provided a detailed account of the poor service they experienced from UKI. And they were not happy with the level of compensation recommended by our investigator. So, they asked for a decision from an ombudsman.

## **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 will uphold this complaint, but for much the same reasons as our investigator. I understand that this may be a disappointment to Mr and Mrs M, but I hope my findings go some way in explaining why I've reached this decision.

Following an escape of water at Mr and Mrs M's home, damage was caused to the ceiling. They explained that UKI attended and completed repairs, but the cracks appeared again.

Over a period of around nine months, Mrs M said that she constantly chased UKI, had to wait in for contractors and ultimately, UKI were unable to repair the cracks.

Mr and Mrs M also said that UKI told them that it was because they had removed a wall in their home that caused the cracking to re-appear. But Mr and Mrs M confirmed that this wasn't the case and they thought the cracking re-appeared due to poor workmanship. Ultimately, UKI asked Mr and Mrs M to instruct independent contractors who repaired the ceiling and in which, it paid for the cost of the repair.

UKI initially offered Mr and Mrs M compensation of £250 for the trouble and upset caused. But our investigator recommended that this level of compensation be increased to £400 to account for the impact this had on Mr and Mrs M.

Mr and Mrs M believe that the compensation should be increased. As they felt that the £400 recommended didn't take into consideration the impact this had on their lives. They believe that compensation of over £750 would be fair. So, I've had a look at the impact this had to see if the compensation ought to be increased. I think that this is the main issue of complaint, as UKI accepted that there was trouble and upset caused to both Mr and Mrs M.

For our service to recommend an award of over £750 could be fair, we would look at the impact of UKI's mistakes and whether this caused substantial distress, upset, or worry, or even potentially a serious offence or humiliation. With this in mind, I asked Mr and Mrs M to explain what the impact of the cracked ceiling was on their day-to-day lives.

Mrs M explained that the crack in the ceiling was an eyesore, that it caused her to have to clean the room due to the dust. That it caused her to be wary of workmen given her experience and was depressing. She also said that: *'we were fed-up beyond words, with the lack of progress with the cracked ceiling at the time. It not only looked an eye sore there were many attempts to try and fix it. Just when we thought some headway had been made, the crack opened-up again.'*

Whilst I appreciate that there was frustration caused to Mr and Mrs M and it took a while before the ceiling was sorted out. I can't agree that there was any specific impact on them as a result of the crack in the ceiling.

I note that in the initial complaint made to our service, Mr and Mrs M confirmed that it was frustration at the customer service and the time taken to resolve the issue with the ceiling. But there was no indication of any serious offence, humiliation, or significant distress, upset or worry. For example, that the damage to the ceiling would become significantly worse.

I also took into consideration, that ultimately UKI paid for the ceiling to be repaired by an independent contractor (which was fair and reasonable) and since that repair there have been thankfully, no further issues with the ceiling.

I must also say any claim of this nature, is going to involve a homeowner in some inconvenience. And, I know that Mr and Mrs M were deeply unimpressed with how UKI handled their claim and the complaint about it. I also know that they were hoping for more compensation for the trouble and upset caused. But, I've taken all of their detailed comments into account in reaching my decision and when assessing the impact on them due to the crack ceiling, which I think caused distress and inconvenience and needed a lot of effort to sort out, an award of £400 is fair and reasonable. So, I won't be recommending that the compensation of £400 be increased further.

### **Putting things right**

UKI ought to put things right, as I direct below.

### **My final decision**

For the reasons given, I uphold Mr and Mrs M's complaint.

To put matters right, UK Insurance Limited to:

Pay Mr and Mrs M £400 compensation for the trouble and upset caused.

UK Insurance Limited must pay the amount within 28 days of the date on which we tell it Mr and Mrs M accept my final decision. If it pays later than this, it must also pay interest on the amount from the date of my final decision to the date of payment at 8% a year simple.

If UK Insurance Limited considers that it's required by HM Revenue & Customs to deduct income tax from that interest, it should tell Mr and Mrs M how much it's taken off. It should also give Mr and Mrs M a certificate showing this if they ask for one, so they can reclaim the tax from HM Revenue & Customs if appropriate.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr M and Mrs M to accept or reject my decision before 18 January 2023.

Ayisha Savage  
**Ombudsman**