

The complaint

Mr B and Mrs B complain about how QIC Europe Ltd (QIC) handled a home insurance claim for damage at their property caused by a car crashing into it.

QIC use agents to administer the policy and to assess claims. Reference to QIC includes these agents.

What happened

The events in this case are well known to both parties, so I'll only set out a summary of what happened here.

In September 2019 a car crashed into Mr B and Mrs B's property, causing damage, including to a bay window at the front of the property. QIC arranged for a structural engineer to assess the damage and appointed a contractor (I) to carry out the necessary repair work, including rebuilding the wall under the window, as well as replacing the window (and the first-floor bedroom window above it). Work began in November 2019 and continued into the new year, being completed in March 2020. During this time Mr B and Mrs B chose to live at a relative's property (and were paid an inconvenience allowance by QIC).

However, the repairs weren't carried out properly and Mr B and Mrs B contacted QIC in March 2021, saying there was damp coming through the bay window. Following inspection of the window, QIC accepted the repair work had to be re-done, including the rebuilding of the bay window wall and replacement of the windows. However, Mr B and Mrs B were unhappy at I re-doing the work and asked for the original structural engineer to inspect the property. However, he wasn't available, so a second engineer was appointed (June 2021). The work was scheduled to start in September 2021.

But there were further problems with the measuring, profiling and fitting of the glass for the windows. The wrong glass was ordered and there were several other snagging issues. The work took until February 2022 to be completed. Given the length of time the work had taken, the problems with the work and it needing to be re-done, Mr B and Mrs B complained to QIC. Given the stress and inconvenience to them (and the relative with whom they'd stayed during the work) they asked for a total of £3,000 in compensation (£1,000 for each of the three of them).

QIC didn't uphold the complaint. In their final response QIC apologised for the failures of I to complete repairs satisfactorily. While some snagging might have been expected given the complexity of the work, the issues encountered far exceeded what could have been expected. QIC noted I had rebuilt the window and associated works to a satisfactory standard. Having reviewed what happened, QIC offered £1,000 compensation for the stress and inconvenience. They accepted they'd asked for £3,000 - but didn't feel it appropriate. QIC also noted they'd offered alternative accommodation to Mr B and Mrs B during the rectification works but they wanted to remain at the property to monitor the work.

Mr B and Mrs B then complained to this service. They were unhappy at how QIC had handled their claim and the time taken for repairs to the window to be completed (in total,

some two and a half years – having initially being told the repairs would take six weeks). They were also unhappy at staying in their property with the window boarded up (as they didn't feel secure) and no disturbance allowance was paid during the second repair period.

Our investigator didn't uphold the complaint, thinking QIC's compensation offer reasonable in the circumstances. He noted there were unavoidable delays in the repair and then the work to re-do the repair due to the Covid pandemic and availability of structural engineers. But there were some seven months of avoidable delays and the quality of the work was poor, meaning it had to be re-done (and the snagging issues). This caused substantial distress and inconvenience to Mr B and Mrs B. But he thought QIC's compensation offer fair and in line with other cases considered by this service.

Mr B and Mrs B disagreed with the investigator's view and requested an ombudsman review the complaint. They said the case had taken over two and a half years from the date of the original incident and caused them huge financial, emotional and mental distress. They said they'd been told initially the repair would take six weeks to complete, which is why they stayed with a relative, rather than alternative accommodation. However, the repair took six months. In which they had little or no communication with the contractor, together with attending the property only for contractors not to arrive. There was also a leak from the bedroom above the window (caused by poor workmanship) damaging replastered walls.

They also said there were delays in appointing a structural engineer, whose report concluded the initial repair had to be redone because of the poor quality of the repair. The bay window was also initially fitted incorrectly and the replacement window measured incorrectly, leading to further problems. When the second new window was delivered, it didn't come with the right glass and so had to be boarded up.

Given all these points, they didn't think £1,000 was sufficient compensation for the delays, poor service and the consequent upheaval and stress. They thought £6,000 would be fair for what they'd experienced.

In my findings, I considered the views of Mr B and Mrs B and QIC on what they respectively thought would be fair and reasonable compensation. Given the significance of the damage I thought it doubtful the initial work would have taken the six weeks Mr B and Mrs B said they were told it would take. But equally, I thought they could reasonably have expected the work to be completed earlier than it was (March 2020).

The issues with the quality of the initial repair work only became apparent a year after the initial work was completed and there were delays while QIC sought the original structural engineer requested by Mr B and Mrs B. There further delays and together with snagging issues, this meant the work wasn't finally completed until nearly a further year. Had the repair work been carried out properly in the first place, none of the subsequent time taken to re-do the work would have been necessary.

Given that, I thought Mr B and Mrs B suffered substantial distress, upset and worry and serious disruption to their daily life over many months (in total, over a year including the time taken for the work to be re-done. Given these factors, I thought a figure higher than the £1,000 offered by QIC was merited. Taking all the circumstances into account, I thought £1,500 would be fair and reasonable.

As I reached a different conclusion to that of our investigator on the level of compensation for distress and inconvenience, I issued a provisional decision to provide both parties with the opportunity to consider matters further. This is set out below.

What I've provisionally decided – and why

I'd first want to say I appreciate what Mr B and Mrs B have said about the impact of what happened has had on them. Having a car crash into their property and cause the significant damage I've seen from the photographs would have been traumatic. And then for the repair work to take much longer than they'd expected – as well as needing to be re-done – would have been very stressful over the significant length of time taken for the work to be carried out to an appropriate standard. I've borne this in mind when deciding whether QIC have acted fairly towards Mr B and Mrs B.

The main element of Mr B and Mrs B's complaint is what would be fair and reasonable compensation for the undoubted stress and inconvenience they've suffered. When they initially complained to QIC they thought £1,000 for each of them (and £1,000 for their relative) would be fair. In disagreeing with our investigator's view they've said that a higher figure (£6,000) would be appropriate. For their part, QIC accept things haven't gone well for Mr B and Mrs B and have apologised for the failures of their contractor to complete repairs satisfactorily at the first time. They also say some snagging was likely, given the extent of the damage and the consequent complexity of the work to rebuild the bay window wall and replace the windows. But they also accept the issues encountered far exceeded what could have been expected.

I've considered both views carefully, together with the available information and evidence. I've noted the initial repair took six months to complete from the date of the incident in September 2019 (with the work itself starting in November 2019). Given the significance of the damage I think it was doubtful the work would have taken the six weeks Mr B and Mrs B said they were told it would take (also given the time of year, when the weather would have been less favourable). But equally, I think Mr B and Mrs B could reasonably have expected the work to have been completed somewhat earlier than it was (March 2020).

From what I've seen of the sequence of events, the issues with the quality of the initial repair work only became apparent a year after the initial work was completed (March 2021, following initial completion in March 2020). There were the delays while QIC sought the original structural engineer requested by Mr B and Mrs B. But he wasn't available, so a second engineer had to be appointed (June 2021). Then work to re-do the repair started (or was planned to start) in September 2021. But the issues described above meant further delays and the windows having to be boarded up as the correct glass wasn't sent. Together with other snagging issues, this meant the work wasn't finally completed (to a reasonable standard) until February 2022, nearly a year after the issues with the original work became apparent. Had the repair work been carried out properly in the first place, none of the subsequent time taken to re-do the work would have been necessary.

Given this, it's clear Mr B and Mrs B have suffered substantial distress, upset and worry and serious disruption to their daily life. While they stayed with a relative for the first repair period (and received an inconvenience allowance from QIC) taken together with the impact of the time taken for the work to be re-done, this led to disruption over many months (in total, over a year including the time taken for the work to be re-done – which wouldn't have been necessary had the repair work been done properly in the first place.

I've thought carefully about what would be fair and reasonable compensation given these circumstances. While we wouldn't consider compensation for the relative (as they aren't a complainant in the case) I think a figure higher than the £1,000 offered by QIC is merited. Taking all the circumstances into account, I think £1,500 would be fair and reasonable.

My provisional decision

For the reasons set out above, it's my provisional decision to uphold Mr B and Mrs B's complaint in part. I intend to require QIC Europe Ltd to:

- *Pay Mr B and Mrs B £1,500 in compensation for inconvenience).*

QIC Europe Ltd must pay the compensation within 28 days of the date on which we tell it Mr B and Mrs B accept my final decision. If they pay later than this, they must also pay interest on the compensation from the date of my final decision to the date of payment at 8% a year simple.

Mr B and Mrs B responded to accept the provisional decision. QIC responded to ask for clarification of the provisional decision to increase the proposed compensation for distress and inconvenience. A response was provided to QIC, after which they accepted the proposed increase in compensation.

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.

My role here is to decide whether QIC have acted fairly towards Mr B and Mrs B.

As both QIC and Mr B and Mrs B have accepted the provisional decision, then my final decision remains unchanged from my provisional decision.

My final decision

For the reasons set out above, it's my final decision to uphold Mr B and Mrs B's complaint in part. I require QIC Europe Ltd to:

- *Pay Mr B and Mrs B £1,500 in compensation for inconvenience).*

QIC Europe Ltd must pay the compensation within 28 days of the date on which we tell it Mr B and Mrs B accept my final decision. If they pay later than this, they 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 B and Mrs B to accept or reject my decision before 13 December 2022.

Paul King
Ombudsman