

## **The complaint**

Mr D complains about the way QIC Europe Ltd handled a claim he made under his home insurance policy following a fire that damaged his home.

Reference to QIC includes agents acting on its behalf.

## **What happened**

I issued a provisional decision on this matter last month, part of which is copied below:

*“Mr D had a home insurance policy, underwritten by QIC, that covered him for loss or damage caused by fire. In September 2020 there was a fire in Mr D’s home that caused damage to the property. He contacted QIC and it accepted his claim to repair the damage caused. Work began to repair the roof of Mr D’s property before work could then begin to repair the damage to the inside of the house. In November 2021 Mr D made a complaint to QIC. He said the roof hadn’t been repaired correctly and he raised a number of issues with the way the builders had carried out the repairs. He also said QIC had stopped paying for alternative accommodation for his family after a year and said it should continue to pay until the works had been completed. Mr D also wanted compensation for the stress QIC had caused.*

*QIC liaised with Mr D but progress was slow. An impasse was reached whereby QIC believed the roof had been repaired to an acceptable standard while Mr D didn’t think it had been. He didn’t want to start on the internal works until that was done. QIC said Mr D had agreed to a cash settlement to repair the internal damage. It said it had offered about £32,000 for those works. And it offered £3,000 by way of compensation for the issues raised.*

*Our investigator thought QIC needed to do more to resolve matters. She thought QIC should cover all the costs of repairing Mr D’s roof to an acceptable standard. She also thought it should pay the alternative accommodation costs until it was safe for him to return to his property. And she said QIC should pay Mr D £1,500 for the significant distress and inconvenience it’s caused.*

*QIC said the roof had been signed off by the local authority’s building control, so it was happy it had been repaired to an acceptable standard. And it thought it had done enough to resolve the complaint. But Mr D doesn’t agree. So, the complaint has been passed to me to make a final decision.*

## **What I’ve provisionally 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.*

*I won’t set out every detail mentioned in Mr D’s complaint but I have read through all of the information we have on file and will focus instead on the key points he’s raised.*

### *Repair of the roof*

*Mr D made a long list of issues he believed needed to be resolved before he would be satisfied the roof had been repaired to an acceptable standard. QIC said that some of the issues Mr D was concerned about had been included in the scope of works for the internal damage. Looking at that scope, that appears to be the case. For example, additional insulation for the loft is included in the scope for the internal works. As is work on the chimney, including repairing and cleaning the chimney breast, and checking the safety of the gas boiler. Mr D also queried why some of the ceilings hadn't been plaster boarded. But, again, this is included in the internal works.*

*I can understand why Mr D would want to resolve these issues before work begins on the internal works but, with the view to progressing matters, I think it would be best for QIC to sit down with Mr D and work through the scope of what needs to be done internally and agree a cash settlement offer. Mr D has said he will accept a cash settlement. And while QIC has said the original scope was agreed in principle, it's clear Mr D isn't happy with it. So, I think QIC should do that as soon as possible.*

*One of Mr D's main concerns is about the way the roof has been constructed. He doesn't believe it has been built to the required standard under building regulations. For example, he raised concerns about the thickness of the ridge board and the deflection of the rafters. Mr D also raised concerns about the repairs done to the seals on the roof valleys in the extension. And the insulation in the extension. QIC responded to these points by saying the local building control inspector had visited and signed off the work. It said the 'sag' of the roof was discussed but the inspector was satisfied it was well within acceptable limits. That's supported by the certificate provided by the local authority which shows that the work had been completed in compliance with building regulations. I recognise that Mr D is still not happy with some aspects of the roof build. But, in light of the evidence I've seen, I think it's fair for QIC to say the roof has been constructed to an acceptable standard.*

*QIC said that a number of other issues raised by Mr D had been resolved. But Mr D doesn't agree. He said repairs to broken tiles on the porch and the main roof damaged by the builders have not been completed. And neither have repairs to the soffit and gutters on the porch, and to the soffit and fascia on the front of the house. He said that the gutters had not been connected to their neighbour's gutters correctly and were still leaking. And the gate to the garden had not been repaired to how it was before it was damaged by the builders. Mr D has provided photographs as evidence to support what he's said. And I'm persuaded by what I've seen and read that these issues are yet to be fully resolved. So, I think it would be fair and reasonable for QIC to rectify these matters as soon as possible.*

### *Alternative accommodation*

*The terms and conditions of Mr D's policy says it will pay up to £100,000 for the reasonable and necessary costs of alternative accommodation. It also says it won't cover losses suffered more than 12 months after the date the property became unfit for living. Our investigator thought QIC should cover the costs of Mr D's alternative accommodation until such time as the property is safe for him to return. And I think that's reasonable. The repairs to Mr D's roof have taken significantly longer than would be usual and there were a number of repairs that were inadequate, as I've highlighted above. His property is not ready to return to yet and I think it would be fair to ask QIC to continue to pay Mr D's alternative accommodation costs until such time as the property is safe for him to return.*

### *Compensation*

*Mr D was always likely to suffer a degree of stress and inconvenience with a claim of this*

*nature. The event itself would have been stressful enough without then having to make a claim and go through the process of finding alternative accommodation and getting his property repaired. So, there was always likely to have been a lot of disruption. But it's clear that QIC's handling of this claim has caused Mr D more distress and inconvenience than he should have expected. QIC offered £3,000 compensation for the issues Mr D had raised. But Mr D says he didn't accept that offer and he didn't receive it. Mr D also confirmed that he was still living in alternative accommodation that he, rather than QIC, was paying for. I've already recommended that QIC should pay for Mr D's alternative accommodation. But I think it should do more to recognise the impact on Mr D of the poor quality repairs that have delayed progress of this claim. Our investigator said QIC should pay Mr D £1,500 and, in all the circumstances, I think that amount would be a fair and reasonable way of resolving this complaint.*

### **My provisional decision**

*For the reasons given above, my provisional decision is that QIC Europe Ltd should do the following:*

- *Repair the gate, the broken tiles, soffits, fascia and gutters on Mr D's property;*
- *Agree the scope of works for the internal repairs with Mr D and offer a fair and reasonable cash settlement;*
- *Pay Mr D's alternative accommodation costs until such time as his property is safe for him to return to;*
- *pay Mr D £1,500 for the distress and inconvenience caused by the delays in repairing his property."*

### **Responses to my provisional decision**

#### *Mr D's comments*

Mr D said he was willing to accept my provisional decision but wanted to raise a few points. He said he hadn't accepted QIC's settlement offer for the internal work because he didn't feel as though the scope of works for the internal damage included all the required repairs. He suggested that QIC liaise with his loss assessor to resolve those issues.

Mr D also summarised why he wasn't happy with the building control inspector. He said they didn't do what they said they would do and didn't check that the issues they'd asked to be resolved before the roof could be signed off were completed. Mr D said he was going to complain to the local authority's building control office as he still believes the roof doesn't meet construction requirements.

#### *QIC's comments*

QIC accepted there were outstanding 'snagging' works and were happy to offer a cash settlement for these works to be completed. It pointed out that it had also offered Mr D a cash settlement amount for the internal work, but Mr D hadn't accepted it.

QIC didn't agree with my provisional decision regarding the alternative accommodation. It said Mr D's circumstances had changed and while his family still lived in the alternative accommodation, Mr D had returned to live in his property while work on the roof was being completed. It said Mr D's policy allowed 12 months of alternative accommodation. It had paid Mr D beyond that, up to October 2021. And it had offered an additional payment to cover three months' alternative accommodation along with its settlement. It thought this was reasonable as this would have allowed Mr D time to carry out the outstanding work. But Mr D had rejected the cash settlement as he didn't think the roof had been installed to an

acceptable standard.

### **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.

I agree with Mr D that QIC should liaise with his loss assessor to agree and finalise the scope of works for the repair of the internal damage. QIC are right to say it's already offered a cash settlement to Mr D but that was some time ago and as there are some issues still in dispute, I think it would be fair and reasonable for both parties to review the original scope and agree a new one. QIC should then offer a fair and reasonable cash settlement once that scope has been agreed.

Mr D raised a number of issues about the conduct of the building control officer but it's not my role to comment on their actions. Mr D has said he will raise his concerns with the local authority's building control office and that would be the correct way to pursue those concerns. As things stand, the local authority has signed off the roof and while I recognise that Mr D doesn't agree with how that was done, I think it's fair for QIC to rely on the certificate from the local authority which shows the work was completed in compliance with building regulations.

Mr D's policy says QIC will pay for any reasonable and necessary costs of alternative accommodation for the policy holder and the policy holder's family. So, while Mr D might have chosen not to live at the alternative accommodation, his family are still there and can't return home until it's safe to do so. And it's still not safe for them to do that.

I've carefully considered QIC's comments about the alternative accommodation. But I think QIC need to take responsibility for much of the delay that's been caused, for the reasons I've set out above. That said, I don't think it would be fair for QIC to continue to pay Mr D's alternative accommodation costs indefinitely. QIC originally offered a three-month extension to the alternative accommodation to allow Mr D to complete the internal repairs. And I think that's a fair length of time to complete those works. So, I think it would be fair for QIC to pay the alternative accommodation costs for three further months from the date of this decision. Or until Mr D and his family are able to move back into the property, if that is any earlier.

### **My final decision**

For the reasons given above, my final decision is that QIC Europe Ltd should do the following:

- Repair (or agree a cash settlement so Mr D can repair) the gate, the broken tiles, soffits, fascia and gutters on Mr D's property.
- Agree the scope of works for the internal repairs with Mr D and offer a fair and reasonable cash settlement.
- Pay Mr D's alternative accommodation costs for a further three months from the date of this decision – or until Mr D and his family can safely return home, if that is any earlier.
- pay Mr D £1,500 for the distress and inconvenience caused by the delays in repairing his property.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr D to accept or reject my decision before 15 February 2023.

Richard Walker  
**Ombudsman**