

The complaint

Mr and Mrs K complained about Hiscox Insurance Company Limited's handling of the household insurance claim at their tenanted property. For the avoidance of doubt, reference to Hiscox will include their agents.

What happened

Mr and Mrs K discovered water pooling on the kitchen floor in May 2022. They had appliance and home emergency cover so tried them first. The washing machine was ruled out as a cause, and it was considered there may be an escape of water from beneath the floor.

Mr and Mrs K then made a claim on their policy so the leak could be traced and repaired. Despite the earlier conclusion Hiscox asked for the washing machine to be run and found an intermittent fault with it. They also identified some external areas of concern and a failed seal around the sink.

Some back and forth followed, and another contractor was engaged before the underfloor leak was located and eventually fixed. During the repairs, Mr and Mrs K felt Hiscox had left the property in an unsafe condition and that they changed the scope of the rectification work.

Mr and Mrs K also felt the claim could've been handled quicker if heed had been taken of the initial conclusions from their appliance cover provider and those who attended under the home emergency cover. Hiscox did not uphold Mr and Mrs K's complaints.

An investigator here looked into the matter and recommended that Hiscox arrange installation of a LeakBot and pay Mr and Mrs K £200 compensation. He said the LeakBot had been installed prior to reinstatement and so it should have been reinstalled as part of those works. And he felt compensation was warranted because the leak ought to have been detected sooner than it was, which caused unnecessary trouble and upset.

Mr and Mrs K thanked the investigator, but Hiscox didn't agree. They said there was no LeakBot installed prior to the leak, so it was determined that that was no requirement to install it as part of the claim. They also felt the claim had been handled adequately.

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 wish to be clear that I am only considering the aspects which related to Mr and Mrs K's claim for an escape of water in May 2022. I understand there has been a leak since, around January 2023, which may be the subject of another complaint – that is not considered under this case.

There doesn't seem to be a huge amount to decide in this particular matter, bearing in mind the claim was dealt with some time ago. But Mr and Mrs K feel the claim was handled

poorly, whereas Hiscox disagrees. I consider that some of the distress and inconvenience caused to Mr and Mrs K could've been avoided, so it is reasonable to require compensation for that. And I agree £200 is fair in the circumstances.

In particular, Mr and Mrs K say there was strain on the relationship with their tenant due to the scope of work being narrowed – having previously been agreed with the tenant in attendance. Further, it is understood the flooring wasn't left in a safe condition at one point and, while rectified quickly, that rectification shouldn't have been necessary.

It also seems likely that the underfloor leak could have been located and fixed more quickly than it was. It had been suspected from the outset, so the investigations at the start of the claim ought to have focussed on that, rather than exploring issues which had already been ruled out – even if other problems were identified.

Turning to the issue with the LeakBot, I note that Hiscox say they didn't agree to install it because it wasn't installed prior to the leak – and therefore wouldn't form part of the rectification work. But, the evidence provided shows that it was installed prior to the works being carried out, so it ought to have been considered as part of the rectification work.

Further, Mr and Mrs K have provided a statement from their tenant which explains that it had been agreed to be reinstalled as part of the work. So, on balance, I think it's more likely than not that this should've taken place. I cannot, however, comment on whether or not that would've had any impact on subsequent losses.

Putting things right

I require Hiscox to pay Mr and Mrs K £200 compensation for the claim handling issues outlined above. I also require Hiscox to reinstall the LeakBot. Mr and Mrs K confirm it was agreed to be installed on the internal stopcock in the cupboard under the stairs.

My final decision

It is my final decision that I uphold this complaint. I require Hiscox Insurance Company Limited to put things right as set out above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr K and Mrs K to accept or reject my decision before 24 October 2023.

Will Weston
Ombudsman