

## The complaint

Mr D is unhappy that QIC Europe Ltd has delayed and declined his water damage claim under his home insurance policy.

## What happened

Mr D made a claim after finding a leak coming from a radiator. QIC arranged for a surveyor to inspect and validate the claim. The claim was accepted, and a repairer sent to work out the claim costs. As the claim costs worked out quite high QIC organised another surveyor to review the details and this time the claim was declined. Unhappy with this Mr D brought his claim to this service.

Our investigator upheld the claim. She said the initial surveyor clearly reported the water damage. This was backed up by the plumber's report confirming the radiator leak. There was further evidence from Mr D's plasterer and as the heating system had been recently installed the water coming from it was shown to be clear by Mr D. All of this evidence undermined QIC's second surveyor's stance that the damage would have shown discoloured staining of the paintwork and plaster. Our investigator said QIC should consider the claim in line with the policy terms.

QIC didn't accept this and asked for the complaint to be passed to an ombudsman for a decision.

In my provisional decisions, I said:

*"I think it's important to start with the expert evidence provided to Mr D.*

*Mr D's plumber, I'll refer to as "J" said:*

*"I attended Mr D's property after a report of a leak coming through the ceiling. On attendance I traced the leak to a leaking radiator valve in the bedroom above, I drained the central heating system down and replaced the faulty valve.*

*After replacing the valve, I put a chemical inhibitor into the heating system to protect against corrosion and filled the system back up."*

*To me that detail appears clear. Mr D did have a leak at his home, and the plumber is clear about where the leak started.*

*Mr D's plasterer, I'll refer to as "M" said:*

*"On my inspection at the property It was evident there were signs of water damage to the ceilings and various walls.*

*The previous water leak caused corrosion to the existing plaster causing the plaster to shrink and crack.*

*If the ceilings were plasterboard then the signs of damage would be very different, there would have been water stains in areas or sagging where the board has dropped lower than the ceiling joist.*

*In this case the ceiling is the original lath and plaster causing the damage as stated above. Through my plastering career I have analysed this situation many times over and I can guarantee water was the main factor in causing the extent of damage."*

*I think M is also very clear about what has caused the damage.*

*QIC said in its final response:*

*"Regretfully, during the site visit by our in-house Surveyor, he concluded that the damage is not the result of the event that you have notified us about and he is unable to recommend that your claim is covered." This was QIC's second survey and refuted the findings of its own original surveyor. The original inspection had been in May and this follow up was in September.*

*This second report went on to say, "there is no evidence of any water damage or staining to the walls, ceiling and floors in the study or hallway that you would expect from a leaking radiator".*

*The second surveyor went on "the water within a central heating system is usually heavily discoloured due to magnetite which is the radiators rusting and breaking down internally". QIC said there was no sign of water damage consistent with a radiator leak.*

*QIC said the wooden floor in the study showed "no sign of any water damage". It said the bedroom carpet where the radiator valve leaked "shows no sign of damage". It followed up saying the ceiling and wall plaster cracks weren't consistent with the claim. QIC said even though Mr D had told it he had cleaned up the floor it would still show some signs of minor damage.*

*The original surveyor said the claim was for the study and the hallway. Most importantly the original surveyor who visited a little while after the damage first occurred said "there was clear visible damage. The study has been affected by the alleged escape of water. The ceiling and coving is evidently cracked and required removal and renewal. The floor is undamaged."*

*This surveyor also referred to the hall walls and ceiling having a "distinctive crack" due to the alleged escape of water. And said the ceiling would need to come down.*

*The only thing the two QIC surveyors appear to agree on is that there was no damage to the study floor. But Mr D had already confirmed that he had cleaned this up at the time of the incident. I'm unclear if Mr D is claiming for the floor based on this.*

*For one surveyor to say there are clear signs of damage and the other to say there is no signs of damage is rather baffling. Especially when they both work for the same company. But to me the additional evidence provided by Mr D is persuasive. It's clear that the plumber and the plasterer have supported Mr D's position and back up what was said by the first surveyor. Mr D has said that it seemed the second surveyor's job was just to decline claims. I can see why he would think this.*

*So, based on this I think the agreed damage by everyone apart from the second in-house surveyor should be dealt with as part of the claim. I think that includes the damage to the hallway and study ceiling and walls (and appears to exclude the study floor).*

*What I'm not clear on and so I will take further evidence on are the landing, the stair and bedroom carpet, the computer, and the chandelier. Mr D said the repairer had added the cost of the landing damage to the hall part of the claim. But I haven't seen enough comment on this through the survey reports to know. QIC said this was a separate incident but would require decoration as it is a continuation of the hallway, I don't think it was clear that it accepted this. If this work is needed to deal with the damaged area, then QIC should include it – but I'm willing to hear more evidence on this from both sides.*

*Mr D had also referred to his cleaning and drying costs but I'm not clear on what has or hasn't been provided or agreed in relation to these costs. I'll take further evidence from both parties on this point.*

*Regarding the kitchen the surveyor accepted there was water damage to "base end panel units" but the impression given was that the kitchen units weren't included as part of this claim. Mr D has now said he intended to make a claim for the kitchen damage. The details of this claim such as photos haven't been sent to QIC, but Mr D doesn't wish to miss the opportunity to claim. As that's not been claimed for yet it can't be considered as part of this complaint. Mr D will need to claim for this directly with QIC as a further or new claim."*

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

Mr D responded both times and his main points were:

Bedroom carpet – this was only wet where the pipe beneath the leaking valve had touched the carpet. Mr D said the water ran down the pipe onto the underside of the floor to the ceiling plaster and then through the ceiling into the hallway and study below. He said the carpet was wet just in this small area. He said it dried out fairly quickly and is not a problem. So, in my second provisional decision I confirmed Mr D wasn't claiming for the floor.

Landing and stairs – the type of plaster and decoration used in the hallway also went up the stairway and landing. Mr D said the QIC surveyor pointed out it wouldn't be possible to do the hallway plaster without the landing and stairs. In my second provisional decision I accepted Mr D's comments regarding the landing and stairs are reasonable so QIC should add these areas to the claim settlement.

Chandelier – Mr D said as this was in the study it was damaged by the water. He said he had kept it and it could be examined at any time. Mr D felt there was photo and video evidence to support this too and that QIC just wouldn't accept it. In my second provisional decision I said there was no reason to doubt what Mr D has said and QIC should include this item in the claim settlement.

Cleaning and drying costs – Mr D said these costs hadn't been discussed. Mr D had expected the second surveyor to deal with this and didn't seem to really deal with anything. Later the second surveyor called to decline the claim without providing any detail. And since then just won't engage further. So, in my second provisional decision I said based on all of the evidence I said QIC should include the cleaning and drying costs in the claim settlement.

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

To my second provisional decision Mr D's main points were that it didn't feel very fair. He said QIC were getting more time. Mr D feels QIC have been given every opportunity by everyone concerned. Mr D feels that QIC need to act and he made every attempt to engage with QIC during the claim.

Mr D asked if this service could fine QIC for the lack of action. Mr D also pointed out he had to repair the damage at his own expense and would like further interest applied to this.

QIC responded on the final day given by the first provisional decision and said it needed an extension but didn't explain why. It did respond to my second provisional decision and said it didn't agree with the outcome.

It said its second surveyor doesn't deny there is cracking. Instead this surveyor is saying the damage isn't consistent with the reported claim incident. QIC also said the first surveyor no longer works for them following an audit on a number of claims. QIC said the damage was inconsistent with the amount of water that supposedly escaped, and the second surveyor is far more qualified in "*structural waterproofing and remedial treatment for damp properties.*"

This surveyor said Mr D had to hire a pump. Leading to a question of why so much water needed to be removed but the study floor wasn't damaged and why didn't the ceiling above collapse.

QIC said there was no evidence the heating system had been replaced and the radiators didn't look brand new. QIC wants a copy of the invoice for the new heating system. QIC also said even if there was a new system this would be unlikely to include replacing all pipework. So, it maintains the water leaking would be discoloured and cause staining.

### **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 understand Mr D's frustration. But, the second provisional decision upheld more of his points that I hadn't been able to uphold in the first provisional decision. So, although it might appear to be a time issue - it isn't. Mr D was able to produce more evidence to support his complaint. The reason for the second provisional decision was more about making sure both parties know what they need to respond to before I could issue my final decision. Mr D didn't raise any point about a computer, so I've not made a finding on that. And although I understand what Mr D said about interest, I don't think there's reason for me to make an additional award of interest in this case. There was some evidence not available so I needed to ask him for it, that doesn't mean I should turn to QIC to pay interest to Mr D.

QIC did ask for more time but oddly hasn't produced any further evidence. Instead of providing evidence it has raised issue about the first of its own surveyors, asked questions and requesting more information. This is being raised now despite the original complaint from Mr D dating back to August 2021. I don't think that's fair or reasonable on QIC's part. It had every opportunity to investigate and ask for any information it required during the claim handling. It appears now to be guessing about the updated heating system rather than producing any useful detail. Overall, it hasn't provided me with anything evidence wise to change my provisional decision.

### **Putting things right**

I require QIC Europe Ltd to deal with:

- the claim for damage to the hallway and study ceiling and walls.
- the landing and stairs.
- the chandelier.
- cleaning and drying costs.

**My final decision**

I uphold this complaint.

I require QIC Europe Ltd to deal with:

- the claim for damage to the hallway and study ceiling and walls.
- the landing and stairs.
- the chandelier.
- cleaning and drying costs.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr D to accept or reject my decision before 16 March 2023.

John Quinlan  
**Ombudsman**