

The complaint

Mrs A has complained about how AA Underwriting Insurance Company Limited (AA) dealt with a claim under her insurance policy.

Mrs A is the only named policyholder and is represented on this complaint by Mr A. As Mr A seemed to mainly deal with the claim and complaint, I will normally refer to him.

What happened

Mrs A contacted AA to make a claim when water came through a ceiling. AA assessed the claim and accepted it. AA identified a range of damage to be repaired and appointed contractors to carry out the work. Mr A contacted AA because he was unhappy with several aspects of the work. AA offered a cash settlement and some compensation to address the issues raised.

A few months later, Mr A contacted AA to complain that the coving that had been fitted by AA's contractors was smaller than other coving at his property. When AA replied it said the coving was of an acceptable quality. It said the ceiling painting works had been included in the cash settlement.

When Mr A complained to this service, our investigator upheld it in part. He said there wasn't evidence to show works had failed or that any required works weren't included in the cash settlement. However, he said there were issues with how the claim was dealt with, including delays. So, he said AA should pay £300 compensation.

Mr A didn't agree with our investigator and also said there were a number of issues that hadn't been addressed. So, the complaint was referred to me.

I issued a provisional decision that explained what I was considering as part of the complaint and how I thought the complaint itself should be resolved. Mr A replied to my provisional decision with some information I wasn't previously aware of. So I issued a second provisional decision on 15 March 2023.

In my second provisional decision, I explained the reasons why I was planning to uphold the complaint in part. I said:

For avoidance of doubt, I will again explain what I think is covered by this complaint. I remain of the view that the only issues I am considering are about the coving and some cracking to a ceiling. I'm aware Mr A has said he raised concerns about the quality of the work carried out, including issues with some flooring, the standard of the painting and decorating and electrical work, plus the impact of these on his and Mrs A's living conditions. Mr A also raised concerns about an injury to his toe, which I understand is being dealt with elsewhere.

From what I've seen, items such as the electrical work, the flooring and the standard of the decorating were dealt with through a cash settlement AA paid Mr A to rectify its contractor's works. It also paid him some compensation. I haven't seen evidence Mr A complained about those issues again. I also haven't seen evidence that Mr A raised concerns about his living

conditions, beyond complaining about his foot injury. So, I don't intend to comment on these items any further.

I should note that Mr A said he would be interested to hear the phone calls I've referred to below. Before making my first provisional decision, I requested the call recordings. These couldn't be provided, so I based my findings on the other available evidence, which included call notes and other records.

I will now consider the complaint itself. A few months after the cash settlement was paid, Mr A contacted AA again to complain about the new coving. I haven't been able to listen to the phone call, but I've read the written record of that call. This explained that following the cash settlement being made, Mr A had arranged for his own builders to carry out the work. The builders told Mr A the coving was 1.5 inches smaller than the existing coving and that the ceiling was shoddily painted. Mr A told AA the work wasn't like for like.

So, I've thought about this. AA replaced some coving as part of dealing with the damage. This coving was smaller than other coving at the property. In response to some questions I asked, AA checked its records again and found evidence of an email from Mr A confirming what had happened with the coving. It's my understanding this email was sent while AA's contractors were still dealing with the claim. I have quoted it more extensively than in my first provisional decision to include what was said about the ceiling rose. It said:

"It was agreed between [a contractor] and myself that if I was to accept a slightly smaller coving which would be cheaper to buy (approx. £2,000). In return he will be happy to put spotlights in the dining and kitchen and hall, as water had leaked there as well and affected the electrical work. As a compromise I was happy to agree. It then came about the 3rd Rose he was not prepared to change on the ceiling, by not changing the 3rd rose this would look completely out of place with the rest of the work."

When AA investigated the complaint, it also spoke to the contractor, who said Mr A wouldn't wait for moulds of the coving to be made and that he had agreed the material choice over the phone.

In response to my first provisional decision, Mr A said he didn't recall making an agreement about the coving. He said he did recall a discussion about the ceiling rosette, which is why I've now included more of what was said, and the spotlight and the costs involved. It's my understanding that the wording quoted above was sent as an email attachment. Given the way this was phrased, this seemed to be what Mr A himself had said. Mr A doesn't now recall agreeing to the coving, but I note that he does seem to recall other details about the ceiling rose and the spotlights. Mr A also queried who would charge £2,000 for eight lights. I haven't seen anything that said the spotlights cost £2,000. This was the amount saved on the coving. Mr A also said the coving was chosen by the contractor. I don't dispute that, but in the context of the evidence I've considered, this suggests that Mr A agreed to a smaller sized coving identified by the contractor. Mr A didn't want to wait for the moulds of it and instead agreed the material choice over the phone.

Mr A also queried whether I was saying the cash settlement covered the coving. Before I made my first provisional decision, I took time to establish what the cash settlement covered. It included painting and decorating costs which, from what I can see, included decorating issues with the coving. The cash settlement was paid a few months before Mr A raised concerns about the size of the coving.

So, I remain of the view that I think it was more likely than not Mr A was aware of the difference in size in the coving and that he agreed to it. Regardless of this, Mr A seemed to accept the coving as fitted and it was only a few months later that he complained it wasn't

the same size, which I think indicated he was satisfied with it when it was fitted and for some time after. I'm aware Mr A also complained about the standard of decoration of the ceiling. From what I've seen, the cash settlement included redecorating costs due to the poor standard of work by AA's contractors. As a result, I don't currently intend to require AA to do anything further in relation to the size of the coving or the ceiling decoration.

In my first provisional decision, I also considered the cracking in the ceiling. At that time, I explained AA had said the issues with the ceiling was caused by a leak from the flat roof above, which was unrelated to the claim that is the subject of this complaint. AA had referred to the flat roof in response to Mr A's complaint and I hadn't seen anything that suggested Mr A disputed the flat roof. I said I hadn't seen anything that persuaded me AA's assessment was unfair or unreasonable.

However, in response to my provisional decision, Mr A said there isn't a flat roof at the property. I've no reason to doubt what Mr A has said. That being the case, I don't think I can reasonably conclude that AA fairly or accurately assessed the damage to the ceiling and whether the cracking should be covered as part of the claim. As a result, I currently intend to uphold this part of the complaint and to say that AA should send a surveyor to inspect the cracking to the ceiling and coving to assess whether it should be covered as part of the claim. This includes assessing whether it is the result of poor workmanship when AA's contractors carried out the work. AA should also provide Mr A or Mrs A with a clear explanation of whether it is covered or not.

I asked both parties to send me any more information or evidence they wanted me to look at by 29 March 2023. Both parties replied before that date.

Mr A replied and in summary:

- He explained again which ceiling his complaint was about. He said the repairs should have been covered by a one-year warranty.
- He agreed with AA reviewing the work.
- He described issues with the laminated floor.
- He said he would like a copy of the call recording where he agreed to the smaller coving, as he couldn't remember agreeing to it.
- He said the eight spotlights were in exchange for the ceiling rose.
- He described some personal issues he had been dealing with and said this might have affected how he had responded to some of the points I had raised.

AA replied and apologised if its correspondence suggested the roof was flat. It attached a photo of the roof it was referring to, which was of a ground floor part of the property with a sloping roof. It said this wasn't below where the leak occurred and wasn't considered as related to the peril. It also said that its contractor had previously agreed to redecorate this area, which it considered to be reasonable given it was determined to be unrelated damage.

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've decided to uphold this complaint in part and for the reasons given in my provisional decision. As part of that, I've considered the additional comments from both parties. To be clear, I was aware which ceiling Mr A was referring to as the focus of this

complaint. However, I'm grateful to both parties for clarifying the situation with the roof and for providing a photo.

This doesn't change my view about how the ceiling that is the subject of this complaint should be dealt with. I'm still not persuaded that the cracking and condition of that ceiling was properly assessed by AA when Mr A raised concerns. I remain of the view that AA should send a surveyor to inspect the ceiling and to clearly explain to Mr A or Mrs A whether it is covered as part of the claim.

I've also noted Mr A's comments about the laminated floor but, as I previously noted, that doesn't form part of this complaint. I'm also aware Mr A has said he'd like to listen to a phone call I referred to. As I explained in my second provisional decision, I asked AA for the phone calls, but wasn't provided with them. I formed my view based on other records. I've noted Mr A's additional comments, but this doesn't change my decision on the size of the coving fitted.

Putting things right

AA should send a surveyor to inspect the cracking to the ceiling and coving to assess whether it should be covered as part of the claim. This includes assessing whether the cracking is the result of poor workmanship when AA's contractors carried out the work. AA should also provide Mr A or Mrs A with a clear explanation of whether it is covered or not.

My final decision

For the reasons I've given above and in my provisional decision, my final decision is that this complaint is upheld in part. I require AA Underwriting Insurance Company Limited to send a surveyor to inspect the cracking to the ceiling and coving and assess whether it should be covered as part of the claim. It should provide Mr A or Mrs A with a clear explanation of whether it is covered or not.

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

Louise O'Sullivan
Ombudsman