

## The complaint

Mr T complains about how UK Insurance Limited dealt with and progressed a claim he made under his household insurance following an escape of water.

## What happened

The background to this complaint and my initial conclusions were set out in my provisional jurisdiction decision dated 31 March 2023 – a copy of which is set out here. In my provisional decision I explained why I intended to uphold Mr T's complaint. I said:

### ***"What happened***

*Mr T held a home insurance policy with UK Insurance Limited, hereafter referred to as UKIL. In July 2021 Mr T's property suffered an escape of water which led to his ensuite bathroom sustaining damage. He contacted UKIL to report the claim and there were discussions, at the outset, as to whether the builder Mr T had used previously could assist with the repair.*

*Mr T made enquiries with his building contact and confirmed with UKIL, in around September 2021, that he wanted it to appoint a contractor to scope and repair the ensuite bathroom.*

*UKIL appointed a company, which I'll refer to as "A". A visited Mr T's property and drew up a scope of the remedial work that it thought was needed to reinstate the ensuite. This was submitted to UKIL for approval and work was due to commence in January 2022. However, the work didn't commence as planned.*

*A stated that Mr T had requested it undertake work that it said would result in betterment. A considered this to be private work and said it told Mr T it couldn't undertake work on a private basis. A said Mr T insisted that the scope of work be revised to include the amendments he wanted to make to his bathroom. However, Mr T refutes this and said he asked A to reinstate his bathroom to its pre-loss condition.*

*Mr T said there were long periods of time during the claim where he didn't hear from A despite chasing. He also said he had to contact UKIL for progress updates. Mr T explained that this all caused unnecessary delay and loss of the use of his ensuite bathroom for an extended period of time. So, he complained to UKIL about the handling of his claim.*

*When UKIL investigated Mr T's concerns it upheld his complaint. In its final response letter, dated 9 June 2022, UKIL accepted that an impasse had been reached where work hadn't taken place as planned. It said this was due to confusion regarding what work Mr T had requested or expected under the terms of his policy. UKIL accepted Mr T's account that he hadn't insisted on A undertaking betterment work. And it paid him £150 compensation to recognise the trouble and upset he'd been caused by poor communication and delay.*

*Being dissatisfied with how UKIL proposed to resolve his complaint, Mr T referred it to our service where one of our investigators looked into what had happened. After considering the evidence from Mr T and UKIL, our investigator didn't recommend upholding this complaint as*

*they thought the compensation already paid was fair and reasonable in the circumstances.*

*UKIL accepted our investigator's view of this complaint but Mr T didn't. He didn't think our investigator had undertaken a thorough investigation and thought the way in which his complaint had been assessed was inaccurate and unfair. I've therefore been asked to decide how this complaint should be resolved.*

### ***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*

*Our service assesses complaints independently within a fair and reasonable remit – we don't act for either a consumer or a business. And I want to assure Mr T and UKIL that, in considering this complaint, I thought very carefully about what happened here.*

*Where the information I've got is incomplete, unclear or contradictory, as some of it is here, I must base my decision on the balance of probabilities. I'd like to thank Mr T and UKIL for the level of detail contained within their submissions. I've read and considered all the information provided and if I haven't specifically referred to a point that's been made it isn't because I haven't considered it. My decision will focus on what I think are the key issues –namely whether the UKIL acted reasonably in offering to resolve this complaint and whether the compensation paid is fair and reasonable.*

*I appreciate this has been a stressful situation for Mr T. I can imagine that he thought at the start the claim was all going to be sorted out with minimal fuss. But there were avoidable delays in how the claim was progressed and there was poor communication. This is bound to have caused trouble and upset to Mr T and, as I've already mentioned, UKIL paid £150 compensation in relation to what happened.*

*Our investigator didn't recommend upholding this complaint because they were persuaded that, while there was delay and poor communication, the compensation already paid by UKIL was fair and reasonable in the overall circumstances. I'm afraid I don't agree.*

*UKIL accepts that the claim was poorly managed with poor communication by A. It also conceded that the confusion over the scope of work that Mr T expected to be covered under his policy caused progress to halt and an impasse to be reached.*

*Work on the ensuite bathroom was due to commence in January 2022. This was around 6 months after the escape of water occurred. But I haven't seen any evidence to suggest that this period was unreasonable or unnecessarily protracted. I've therefore carefully considered what happened from January 2022 when the work that had been planned didn't start.*

*Mr T said he suggested changes to the bathroom layout, which related to the rerouting of pipe work. He said he made such suggestions in efforts to make the reinstatement process easier and less work intensive. He denied being insistent on these suggestions being incorporated into the remedial work as he simply wanted his bathroom to be repaired to its pre-loss state.*

*Based on the evidence I've seen I accept what Mr T has said about how the changes came to be discussed. I've seen no evidence from A or UKIL that persuades me that Mr T was insistent on the reinstatement work only being undertaken subject to the suggestion he'd proposed. So, it's difficult to understand how such an impasse came to be reached and why work was delayed for such an extended period.*

*Like our investigator, I'm satisfied that UKIL acted reasonably and fairly in declining to pay for the changes that Mr T had suggested. I say this because rerouting the pipe work as Mr T had suggested would have been more expensive than leaving the pipes in their original pre-loss position. Under the policy terms this would constitute betterment for which Mr T would be financially responsible. There's no evidence showing that this was discussed with Mr T at the outset of the claim or that he'd agreed to fund betterment costs.*

*A and UKIL ought to have been able to resolve the confusion over the scope of work permitted under the policy relatively quickly. But it wasn't until June 2022 when A contacted Mr T to progress the reinstatement works by asking him to confirm his choice of materials. It shouldn't have taken 5 months from the date the project was originally due to commence for*

Julie Mitchell  
**Ombudsman**