

DRN-4257814



## **The complaint**

Mrs R complains that Qmetric Group Limited trading as Policy Expert haven't covered all the costs arising from her escape of water claim or compensated her for the distress and inconvenience of not being able to live and work in her property.

## **What happened**

Mrs R held a buildings and contents insurance policy with Qmetric which also covered home emergency.

In April 2021 Mrs R had a leak which came through her dining room ceiling.

She contacted Qmetric and an emergency plumber attended but was unable to resolve the leak as when he cut an access hole in the ceiling he found that asbestos testing was required before he could continue. He turned the water off at the mains to stop further damage from the leak, and so with no water, Mrs R was unable to remain at the property and went to stay with a relative who lived 45 minutes away.

There were then delays in getting the repair resolved, and by August 2021 repair and reinstatement work still hadn't started, so Mrs R got her own builders in and had the repair and some remedial work done so that she could move back in. Mrs R says that delay, lack of communication and lack of progress has caused her constant stress and low mood, and an unreasonable level of inconvenience as she has been left relying on the kindness of relatives.

Qmetric have offered Mrs R a cash settlement of £7181.66 including VAT for the repairs. Mrs R complained and was offered a further £200 for the distress and inconvenience caused by the poor service and £2010 as an inconvenience allowance for not being able to occupy her property.

Mrs R wasn't happy with this and brought her complaint to us.

One of our investigators looked into Mrs R's complaint and he thought that Qmetric had made a fair offer.

Mrs R disagreed with our investigators view, and so the case came to me to review. I issued a provisional decision on the complaint. My provisional findings were as follows:

*I have to decide whether Qmetric have acted fairly and reasonably, and properly applied the terms of the policy.*

### **Cash settlement offer**

*The cash settlement offered for repair and reinstatement is £7181.66 including VAT, which has been calculated on the basis of the scope of works prepared by Qmetric's contractor who would have been able to undertake the works for Mrs R.*

*The policy terms say that:*

*"When we settle your claim, if we decide we can offer rebuilding work, repairs or replacements, we will ask you to choose one of the following options:*

- a. We will choose a contractor (our preferred contractor) and instruct them to carry out the rebuilding work, repairs or replacements*

*b. We will pay you a cash settlement for the same amount it would have cost us to use our preferred contractor.”*

*Mrs R’s preference at the outset was to have Qmetric’s contractor, but due to the delays that arose, she was forced to try and obtain other quotes from local contractors.*

*Mrs R provided Qmetric with a detailed quote from her own contractor based on the same scope of work which was significantly higher at £18180.*

*Having reviewed these side by side, I’m satisfied that both quotes have included all the same work that needs to be done for repair and restoration work to the kitchen, hallway, stairs and bathroom.*

*As an interim measure, Mrs R had some of the work completed, which was the minimum remedial work to be able to move back into the property. She has provided an invoice for these works which was £6492.04 and is described as “Bathroom partial refit plus painting the ceiling in the kitchen”. Mrs R has confirmed that this invoice does include £264 for an unrelated issue in the downstairs cloakroom, so the actual costs are £6228.04.*

*Mrs R has not had any of the work undertaken in the kitchen, dining area and hallway that was on the scope of works. The kitchen ceiling has simply been painted, but it does need replacing.*

*Qmetric are only obliged under the terms of the policy detailed above to offer a cash settlement equivalent to the quote provided by their own contractor.*

*However, I am mindful that these terms would normally apply when the insurer is in a position to complete the repairs. I’m not satisfied that Qmetric were able to complete these repairs in a reasonable period.*

*Mrs R had been waiting for several months for Qmetric to deal with her repairs. The scope of work wasn’t finalised until the leak was located in May 2021. Despite several phone calls in May, June, and July, no progress was made, and after a further site visit in July, Qmetric’s contractor confirmed a date of 26 July to start work. On 5 August the contractor contacted Mrs R and said it would be a further few weeks before repairs could be started, but no specific date was given. They suggested she should take a cash settlement instead.*

*So, I’m satisfied that by August 2021, having been out of her house for 4 months, living at a relatives house, with no progress on a fairly straightforward claim, Mrs R acted reasonably in engaging her own contractor. She hadn’t been given a start date and had been advised to take a settlement. She had experienced significant disruption to her living arrangements, and Qmetric hadn’t been able to do even the remedial repair work to enable her to return to the property.*

*In view of that, I think that it is fair for Qmetric to pay the invoice for £6228.04 for basic remedial repairs to enable Mrs R to move back into the property. I also intend to say that Qmetric should pay interest on the loss of use of these funds.*

*In respect of the outstanding work that Mrs R needs to get completed to restore her property back to the pre incident condition, I’ve thought about what is a fair figure for this. Mrs R has provided us with a second, lower quote on the basis of the scope of work, which is £16390.*

*As Mrs R could have had all the work completed for this figure, I propose to direct Qmetric to pay the balance of this quote so that Mrs R can get the work completed.*

### **Payment for being out of the property**

*Qmetric have made an offer of payment to Mrs R for having to live elsewhere for a period of time. This payment is £2010 which equates to around £14 per day to cover her additional expenses.*

*The policy term says:*

*“Alternative accommodation*

*We will pay up to £100000 for*

- a. The reasonable and necessary costs for alternative accommodation for you and your family and*
- b. any rent which you still may have to pay*

*If you cannot stay in your home because your home has become unfit for living in following loss or damage that is insured by this section”*

*As there was no water at Mrs R’s property following it being turned off when the leak was discovered, alternative accommodation costs were payable under this part of the policy. Mrs R was fortunate that she had a relative with whom she could stay, and had she not been able to, Qmetric would have had to meet rental or other costs for accommodation.*

*Mrs R hasn’t provided any information about the additional costs of living elsewhere, so I don’t know whether she was giving her relative any money for rent or food, but I think the offer of £2010 made by Qmetric is reasonable for the period of time to cover additional expenses in the absence of any evidence that suggests otherwise.*

### **Delay and service issues**

*After Mrs R made the claim Qmetric’s contractor came on 2 April and switched off the water and the boiler. Mrs R moved out as she had no water. It was understandable that they couldn’t continue with any further work until the asbestos testing was done, and this took place on 15 April and was confirmed negative by 20 April.*

*After that, the claim should have been fairly straightforward, but it wasn’t. The surveyor visited and an offer of cash settlement was made before the location of the leak and a repair had even been done. This wasted time, as when the leak was detected, it was found to be a waste pipe leak, and a further scope of works was necessary.*

*Mrs R complained about this and was offered £250 for the inconvenience to that point.*

*When leak detection took place on 5 May and the specialist found the leak was from the toilet waste pipe, he advised that wherever the water had travelled to needed to be removed and replaced. The scope of works needed updating to include removal and replacement of the tiles in the bathroom to access the waste pipe, stripping out and replacing the dining room floor, treating the wooden batons in the ceiling for water contamination, removing the contaminated chipboard under the bathroom floor, refitting the floor tiles and wall tiles and bathtub panels and edging board. The dining room chairs also needed replacing because of the soft padding.*

*Disaster recovery agents were appointed to attend on 10 May but they advised the repair had to be completed first.*

*After little or no contact, on 20 June Mrs R gave Qmetric a further three weeks to finalise the scope of works, but there were further delays and failures to communicate at agreed times.*

*A new claims management contractor was instructed to attend on 19 July but cancelled 15 minutes before and re booked for 22 July. A new scope of works was eventually completed and Qmetrics contractor confirmed a date of 26 July to start work. On 5 August the contractor contacted Mrs R and said it would be a further few weeks before repairs could be started, but no specific date was given. They suggested she should take a cash settlement instead. Then a start date of 4 October was advised.*

*That was when obtained her own quote and sent it for Q metrics consideration in comparison to the cash settlement figure on 3 September. As there was still no sign of the repairs being started, Mrs R had some remedial works completed to save any further delay and to enable her to move back in.*

*I have thought about the service provided and the delays, and I think the service provided was significantly lower than Mrs R was entitled to expect. Although I can see that Qmetric offered £250 in the early stages, the delays and issues carried on for a further 5 months and so I am minded to increase the payment for distress and inconvenience caused by the poor service to £750. I've taken into account Mrs R's testimony about the disruption to her life and work, and the distress caused by the failures on Qmetric's part to get Mrs R's house habitable again.*

In the light of these findings, I therefore intended to uphold Mrs R's complaint, and I invited the parties to comment.

### **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.

Both Qmetric and Mrs R have responded. Mrs R accepts the decision, but Qmetric do not. Qmetric say that they don't accept that Mrs R was forced to get her own contractors when she had the option to wait for their contractors. And that she is in breach of her policy terms by engaging a contractor without the permission of Qmetric. As I have said above, I don't consider that Mrs R acted unreasonably in engaging her own contractor, given that 4 months after the claim was notified, she was given a start date which was cancelled, told to take a cash settlement, and then advised of a further start date in October which was two months away and may have been moved again. She wasn't able to live in her property, and Qmetric hadn't offered proper alternative accommodation – so she was camping out at the house of a relative, relying on goodwill, which had extended beyond the few weeks originally thought and was then estimated to be at least a further two months.

Q metric also say that they don't accept that Mrs R couldn't have got the work done cheaper and they consider £500 to be a more reasonable amount of compensation in line with the FOS guidelines. In respect of the quotes, Mrs R obtained two quotes for the work. I appreciate that Qmetric's contractors will have been able to complete the work cheaper, but that will be because they have negotiated rates with those contractors who may also be able to purchase materials cheaper. I'm satisfied that the two quotes, based on the same scope are reliable quotes for what is required, and I have made my direction on the cheaper suggested using the cheaper of the two.

I have thought about Qmetrics comments on the compensation and whether the £750 I suggested is too high. Mrs R has been compensated for being out of her property with the disturbance allowance, and there would always have been some level of inconvenience for a period while the property was repaired, so any award for distress and inconvenience is to reflect the impact of the delays and poor service. Mrs R has provided me with a detailed impact statement which outlines how she has been affected. Amongst the issues outlined are; what happened on the day of the emergency call out and how she was left to find somewhere to live at short notice with no support on a bank holiday weekend, the poor and infrequent information she received and repeatedly having to chase for updates, the impact of not being able to launch her new business because she did not have appropriate space to do so, the pressure of relying on family goodwill with no specific end date in sight, and the stress caused by starting a new job whilst still being in unsuitable temporary accommodation. I'm satisfied on the basis of this account that there has been significant detriment to Mrs R's health and wellbeing as a result of Qmetric's failure to deal with a fairly straightforward claim in a reasonable amount of time, and so I think that the award of £750 is appropriate in these circumstances.

In light of the above, I'm making my final decision in line with my provisional findings.

### **Putting things right**

In order to put things right Qmetric should:

- Pay Mrs R £6228.04 in respect of the repair and reinstatement work that has already been completed
- Pay Mrs R £2010 for expenses related to living with her relatives
- Pay 8% interest on the above sums from the date Mrs R paid for the work until the date of settlement
- Pay Mrs R £10161.96 in order to complete the repair and reinstatement work
- Pay £750 for the delays and poor service.

\*If RSA considers that it's required by HM Revenue & Customs to deduct income tax from that interest, it should tell Mrs R how much it's taken off. It should also give Mrs R a tax deduction certificate if she asks for one, so she can reclaim the tax from HM Revenue & Customs if appropriate.

### **My final decision**

My final decision is that I'm upholding Mrs R's complaint and direct Qmetric Group Limited trading as Policy Expert to put things right as outlined above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs R to accept or reject my decision before 17 August 2023

Joanne Ward  
**Ombudsman**