

The complaint

Mr K complains about QIC Europe Ltd.'s (QIC) handling of a claim settlement on his home insurance policy for damage caused by an escape of water.

What happened

The background of this complaint is well known to both parties, so I've summarised the key points:

- The escape of water happened at the property in 2021 and QIC provided a cash settlement for Mr K to carry out repairs.
- Mr K says at the time the settlement was provided, he made the surveyor aware that the damage had spread however, QIC didn't investigate the further damage.
- Mr K contacted QIC again in November 2022 to say that the water leak had damaged their lounge and kitchen and QIC sent out their surveyor at this point to do a further review.
- The surveyor said that Mr K's contractors hadn't carried out sufficient works to ensure the areas were treated.
- QIC applied an exclusion of the policy which says it won't cover poor workmanship, therefore it didn't accept any further works were covered.
- Mr K says he wasn't asked about what works his contractor had carried out and he didn't consider that QIC's surveyor had carried out a review of all the affected areas.
- Our investigator considered the complaint and upheld it, saying she wasn't persuaded with the review that had taken place of the damage, and she didn't consider QIC had proven the exclusion it relied on.
- The investigator recommended that QIC appoint an independent surveyor to review all areas of the damage and provide an opinion on the cause.
- Mr K accepted this outcome, as did QIC. However, there has been delays in QIC appointing a surveyor and this is causing further unnecessary distress and inconvenience to Mr K.
- Therefore, the complaint has been passed to me, an Ombudsman, to make a final decision.

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 agree with our investigator that it's not clear how QIC have shown that the damage Mr K is claiming for isn't a result of the initial leak, or it's a result of poor workmanship.

As QIC have declined the damage, relying on a policy exclusion relating to poor workmanship, the onus is on it to evidence this. Having reviewed the available photos and reports, I'm not satisfied that QIC have done this.

QIC have said that Mr K's contractors didn't treat the areas correctly and that if a fungal treatment had been carried out, then the damage wouldn't have occurred. However, Mr K's contractor quote included works for the fungal treatment, and I haven't seen that QIC have shown evidence that this wasn't carried out.

I think it's unclear from QIC's submission that it identified all the affected/damaged areas, or has shown how, and why, the damage at the property isn't linked to the initial escape of water.

Therefore, I consider an independent survey is required to ensure that all affected areas are considered, and an independent professional opinion is provided on when, and how, the damage has occurred.

Putting things right

I instruct QIC Europe Ltd to:

- Instruct an independent professional survey and for QIC to ensure the surveyor has contacted Mr K within four weeks of us telling QIC Mr K has accepted this final decision.

My final decision

For the reasons given above, I uphold this complaint. Under the rules of the Financial Ombudsman Service, I'm required to ask Mr K to accept or reject my decision before 10 October 2023.

Angela Casey
Ombudsman