

## **The complaint**

Mr and Mrs P complain about HDI Global Specialty SE's handling of claims they made under their buildings insurance policy.

Mr and Mrs P are joint policyholders. As most of the communication relating to the complaint has been from Mr P, I'll refer mainly to him in my decision.

HDI is the underwriter of this policy i.e. the insurer. Part of this complaint concerns the actions of its agents. As HDI has accepted it is accountable for the actions of the agents, in my decision, any reference to HDI includes the actions of the agents.

## **What happened**

In October 2021, Mr and Mrs P made a claim under their buildings insurance policy with HDI for storm and flood damage to their property. HDI arranged for repairs to be completed to damage covered by their claim.

In August 2022, Mr and Mrs P made a second claim for storm damage. Repairs hadn't been fully completed for the damage covered by their first claim.

HDI's contractors then found that moisture levels in the property were high. HDI said no further repairs could be carried out until the source of the moisture was determined and addressed.

Mr P complained about delays in the progression of their claim and a lack of communication from HDI.

In its letter responding to Mr P's complaint (dated 3 March 2023), HDI said its loss adjusters had appointed an agent to attend Mr and Mrs P's home, but they hadn't been able to determine the exact cause of the damp. The loss adjusters had appointed another company to investigate it. HDI said this company was currently in contact with HDI's building contractors to arrange a joint visit to Mr and Mrs P's home to investigate the source of the damp.

HDI said it felt the time taken to progress investigations had not been reasonable. It had found avoidable delays as well as issues over the time taken to contact Mr P. HDI apologised for this and offered him £150 compensation.

Mr P remained unhappy and asked our service to consider his concerns. Our investigator didn't think HDI's offer of compensation was enough to put things right. She recommended HDI increase the compensation payment to £450.

Mr P didn't think the amount our investigator recommended was sufficient. He said the delays were too lengthy and he'd had no communication from all the parties concerned. He and his family have had to live and sleep in bedrooms with dampness and mould causing health problems on top of mental stress.

As Mr P disagrees with our investigator's outcome and HDI haven't responded to it, the complaint has been passed to me to decide.

### **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 reached broadly the same conclusions as our investigator. I'll explain why.

I'm aware that Mr and Mrs P have raised several other complaints about HDI's handling of these claims. To be clear, in this decision I have only considered the events complained of that occurred from 12 September 2022 to 3 March 2023.

The relevant industry rules say an insurer should handle claims promptly and fairly.

Having reviewed HDI's records, it looks like Mr P was considering a cash settlement for outstanding work on the first claim and for the second claim in September / October 2022. HDI offered Mr P a cash settlement, but it looks like Mr P was having some difficulty sourcing his own contractor, so it was decided that the repairs would be carried out by HDI's agents.

During a site visit in early November, HDI found that moisture readings in the property were high. There was evidence of damp on the ground floor in areas which had been previously recorded as dry and where repairs had been substantially completed. There was also an issue with damp upstairs.

HDI arranged for the company who'd previously dealt with drying out works to the property to attend and carry out investigations into the damp. However, they weren't able to establish what the cause was. Another company was instructed to carry out further investigations in early January 2023.

I understand there were two issues which required investigation and several parties were involved. However, HDI has acknowledged there were delays in progressing things. It looks like there was a delay in costings being approved for scaffolding and roofers in January / February 2023. I can also see that Mr P chased for an update on his claim on several occasions. It looks like there was a delay in dehumidifiers being supplied to him in November / December 2022.

I'm aware that Mr P's claims have been ongoing for some time. But, as explained I'm only looking at what happened from 12 September 2022 to 3 March 2023. I think it was necessary for HDI to have stopped repair works while it looked into what was causing the damp in Mr P's home. I can see that HDI's agents were taking steps to try to resolve things but there were also avoidable delays. HDI also could have done more to keep Mr P up to date on occasion.

I appreciate this situation has been difficult for Mr P and his family, who have been living in poor conditions and are concerned about the effect of the damp on their health. This is likely to be particularly difficult, given the length of time their first claim has been going on for. However, I think some of the delay within the six month period was beyond HDI's control. Having thought about the impact of the delays HDI is responsible for as well as the poor communication with Mr P, I think £450 is a reasonable amount to put things right.

**Putting things right**

HDI should pay Mr and Mrs P £450 for distress and inconvenience.

**My final decision**

For the reasons I've explained, I uphold Mr and Mrs P's complaint and direct HDI Global Specialty SE to put things right by doing as I've said above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr P and Mrs P to accept or reject my decision before 7 November 2023.

Anne Muscroft  
**Ombudsman**