

The complaint

Mrs K complains that U K Insurance Limited (“UKI”) has unfairly handled a claim under her home insurance policy.

Any reference to Mrs K or UKI includes respective agents or representatives.

What happened

The background of this complaint is well known to both parties, so I’ve summarised events.

- In 2013 Mrs K had a claim for water damage to her property.
- In 2015, UKI says Mrs K made a separate claim for underground services. It appointed a company (Company U) to carry out repairs.
- Following a complaint, this Service previously looked into historic concerns of Mrs K’s. A final decision was issued in March 2020 looking up until May 2018. The decision instructed UKI to carry out certain repairs or provide a cash settlement, to pay for furniture on receipt of evidence, assess and settle for damage to a window, and pay her £2,500 in total compensation.
- Mrs K has given an account of events that followed. She described having incurred various costs herself, including costs for a cavity wall specialist, re-pointing of the property and alternative accommodation costs. She said following some works her home was affected by contaminating toxic dust – making day-to-day living very challenging for a time.
- In 2022 UKI instructed Company D to attend related to her driveway. Its report confirmed replacement of a drain on the driveway was necessary – having blocked the previous year. UKI accepted faulty workmanship on part of its previous works (carried out by Company U). Company D rectified the issue, and UKI considered the matter as an extension of the 2015 claim. This involved the use of resin resurfacing of the driveway.
- Mrs K says the floors to her home are not stable or level, leading to visible issues, creaks, and furniture and appliances to move. She also says previous cleaning of furniture was not sufficient and exposure to mould spores had impacted her son.
- UKI responded to ongoing complaints in June 2022 and August 2022. It recognised some delays and poor communication on updates and awarded £140 compensation.
- Mrs K says the repairs were not completed to a reasonable standard which caused mould growth in the property. She complained to UKI about this, and submitted many photos of her flooring, mould within parts of furniture.
- Mrs K said on 12 June 2023 a flood occurred impacting her home, garage and contents. She said a follow up claim was taken on by UKI regarding this. She said the previous resurfacing was without adequate drainage and this was faulty workmanship.
- In August 2023 a defect report was produced by Company R – instructed by Mrs K

and costing £200. It included many photos across the property, and concluded:

- Moisture levels in the kitchen, bathroom and dining room is related to poorly fitted joists – some of which were beginning to rot. It said without repair this ingress would continue.
- The driveway surfacing causes rainwater to slope into the garage, and the contractors used had not considered the damp proof course. It said some of the original drive should've been dug out to meet required depths to avoid rain penetrating and entering the property – or a French drain should've been installed.
- The complaint came to this Service and one of our Investigators looked into things. The Investigator said he would not be able to look into the flood issues as this had not been raised with UKI at this time. He upheld the complaint, saying Company R's report was persuasive and so he directed UKI to carry out repairs to rectify the issues identified. And given the impact on Mrs K and her household, he directed UKI to pay £600 compensation.
- UKI agreed with the assessment and said it would revisit the property to rectify.
- Mrs K raised further points about the impact of UKI's handling on her across the life of the claim. She submitted various invoices for costs including Company R's report, alternative accommodation, cavity wall works and repointing. These were put to UKI and Mrs K has confirmed all costs have been settled.
- Our Investigator looked again. He was satisfied UKI's agreement and settlement of these costs alongside the £600 in compensation was fair in the circumstances.
- Mrs K disagreed on the topic of compensation and costs, saying the compensation award was not sufficient, considering:
 - The impact of the claim on her and her son's health.
 - The joist issues had occurred since 2015, so various works that had been carried out since would need to be redone.
 - Damp issues have meant she's been unable to use her home as she should've been able to throughout the life of the claim – including using her kitchen as she should be able to.

So, the complaint was passed to me for an Ombudsman's decision. On 13 February 2024 I issued my provisional decision, outlining why I intended to uphold the complaint. I've included an extract of this below.

“Scope of this complaint

This complaint concerns many different claims and issues spanning some time. So, I want to begin by being clear on what I'm considering under this complaint. Some of the points I am outlining below will not have been included within the Investigator's previous assessment.

This is a conscious decision on my part to try and bring these matters to a close for the benefit of all parties – alongside the fact I believe they have always formed part of the complaint Mrs K made this to this Service about UKI's actions.

This Service's previous final decision considered matters up until May 2018. Mrs K, when bringing this complaint, told our Service the subject matter was a continuation of the previous complaint. I am going to consider matters up until August 2022. This was the date UKI issued its last formal response to Mrs K in response to a complaint.

Mrs K explained in detail in June 2023 to this Service her main concerns, which included:

- Issues about the joists and impact of this on the flooring.
- Company D's findings on the driveway and commentary on Company U's previous works.
- The ongoing claim following 2018. She described mould and spores in items and the property retaining moisture across this time.

I am considering all of the above points within this decision. The information I have from UKI is limited on some of these topics. So, it will have the opportunity to provide any further detail in response to this provisional decision if it sees fit. I will also be considering the Company R report (even though this has been produced past this time) as this relates to the subject matter Mrs K has complained about.

I won't be reconsidering any matters the previous Ombudsman has made a determination on. This includes any matters where this Service has made a direction to UKI to either carry out repairs or cash settle any specific issues.

There are various live issues at hand in this complaint. While I understand this matter has been ongoing for many years for Mrs K and her family, I do not have a free hand to introduce more recent matters that did not form part of her complaint. This means matters around UKI's handling of her flood claim, and the events that followed – including any financial costs of running dehumidifiers – does not form part of this complaint.

Mrs K has also provided some email chains between her and a removal company from early 2022. I understand Company M to be an agent of UKI. Within these emails she highlights to Company M that one of her son's boxes is missing and this includes various equipment as well as wider concerns about its handling. Company M states that its consignments are not mixed at any stage so would not have been delivered elsewhere. And given all items it collected and stored had been signed for, it was unable to comment on anything further.

I'm not satisfied UKI has had sight of this particular complaint point. And I don't think I can fairly answer this complaint point at this time with the limited information I have. So, this falls outside the scope of this decision. UKI should investigate this matter and provide Mrs K with an answer to this concern if it hasn't done so already.

Joist issues and driveway

Following Company R's report, UKI has appeared to acknowledge that there are issues with the joists under Mrs K's flooring. And that this was down to poor fitting. To my understanding, it isn't in dispute that UKI was responsible for fitting these within its historic repairs and claim. And following the Investigator's view, UKI agreed to revisit and rectify the issues related to the joists.

So, I won't go into detail on this point, suffice to say it appears that faulty workmanship on the part of UKI appears to have caused the flooring issues. And these appear to have, at the very least, contributed towards the excess moisture in Mrs K's property by acting as a bridge for moisture into the property as described in the report.

Our Investigator hasn't commented on the driveway within his view. But from what

I've seen, Company D carried out works following Company U's previous works, due to faulty workmanship on part of Company U.

And following this, Company R's report is clear that there are issues with the driveway fitted by Company D. It highlights the sloping of the driveway and says it either should've completed dig out works to attain the required depths for the damp proof course, or a trench drain should've been installed.

I recognise UKI hasn't provided any commentary in response to this report on the subject of the driveway to date. But on its face, Company R's report appears to me to be persuasive and explain the level of water ingress Mrs K has experienced. So, without any expert evidence to the contrary, I'm likely to conclude that this also was faulty design or workmanship on the part of UKI's agents for a second time around the same works.

In a similar direction to our Investigator, I am intending to direct UKI to take the findings of Company R's report into account and rectify the issues related to the joists and the driveway, so they are effective and lasting – in line with the remaining terms of the policy.

I understand most recently UKI has provided Mrs K with a follow up final response letter in which it has challenged its responsibility over the joists – saying that it didn't believe this related to either an insured peril or its own repairs. I'm satisfied I can consider the quality of repairs under this complaint. And I've had nothing to support its comments provided to me by UKI. So, without any sort of technical opinion or persuasive evidence to back this up, this wouldn't be likely to change my mind. And I would be satisfied UKI needs to take responsibility for the joist and driveway issues – as this stems from work prior to its response of August 2022.

The claim and handling

Simply put, this claim has been ongoing for many years. I don't doubt these claims that UKI has investigated have their complexities, but it appears to me many of the works it has completed haven't been lasting or effective. The driveway and joists both appear to have failed due to design or quality of installation, and this has unfortunately left Mrs K with further issues that are ongoing and continuing to impact her day-to-day life. This ranges from her ability to store goods in her kitchen and cook due to the excess moisture present, to storage of clothes, and visibly having to see the impact of the mould/damp in her home.

Mrs K has described the impact of the moisture of her home on hers and her son's health. And she's described the ongoing frustration of the claim continuing for such a length of time, and with so many unknowns as to causes of issues its left her with no end in sight. I understand this must be extremely difficult for Mrs K and her son and I'm very sympathetic to the experience she's had.

I also recognise that many of the further investigations and works that will likely be necessary will cause more upheaval and disruption to Mrs K's life – while I can't award for future issues, I do recognise the disappointment and distress that will be in her mind knowing more needs to be done, which no doubt be compounded by the history of the claim – with this Service previously recognising the claim up until 2018 had not been handled well, up until the point of August 2022.

For these reasons, I'm not satisfied the sum of £600 for this period is sufficient in the way of compensation. And I'm currently minded to increase this to £1,500 to

recognise the impact UKI's handling has had on Mrs K."

I gave both parties until 27 February 2024 to provide any further evidence or comments for me to consider.

UKI responded to say it had not yet reviewed the decision but said it would provide an update after the deadline. Given UKI hasn't provided me with any indication of its intended response, nor given explanation for any extension. And based on its response it appears it has not yet read the provisional decision I've issued. Given the significance of this matter to Mrs K and her family, I'm not providing any extension in these circumstances.

Mrs K responded, she disagreed with the compensation awarded. She reiterated the impact of the events of the claim, in summary she said:

- UKI's actions, employing negligent contractors, could've led to the death of her and her son due to the presence of spores, mould, damp, and contaminating toxic dust.
- The ambulance service had to be called for her son due to presence of mould and damp in the home – attaching evidence of this from April 2023.
- Various elements of the structural survey hadn't been followed previously, including a damp penetration survey as well as removal of floor to ceiling wardrobes.
- Had a flood not occurred in June 2023 and the subsequent Company R report been produced, she would've never known of the issues with the joists. And she described damage to her belongings in the home.
- She was concerned that my review only looking up until August 2022 meant that there was a risk this matter would go on indefinitely.

So, the matter has come back to me for 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.

Having considered all matters again, I'm still upholding this complaint.

I had invited UKI to respond and provide any evidence around the issues related to the joists and driveway, but it hasn't provided anything. So, I see no reason to depart from the direction I made previously within the provisional decision.

The response Mrs K has given focuses on the impact of the claim and the compensation award. I understand she disagrees with the award I've made, but I want to assure her I've thought very carefully about all of the events that have happened between May 2018 and August 2022 in reaching this decision, and that I had considered these matters when making my provisional decision. I understand the ongoing and more recent matters will be a pressing concern for her, but I do not have the scope to consider these matters under this decision.

Regarding the events that followed, and those specifically I've touched on in my provisional decision as out of scope for this review, I would expect UKI to acknowledge and investigate Mrs K's concerns. Should it be unable to resolve matters, Mrs K may bring a new complaint about those matters to this Service to investigate.

The next steps are for UKI to carry out a last and effective repair to the joists and driveway,

taking into account the findings of Company R's report.

My final decision

I'm upholding this complaint. In line with my decision, U K Insurance Limited must do the following:

- UKI must accept the issues identified related to the joists and the driveway as part of the claim and subject to the terms and conditions of Mrs K's insurance policy.
- Pay Mrs K £1,500 in total compensation for the distress and inconvenience it has caused her during this period of her claim.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs K to accept or reject my decision before 27 March 2024.

Jack Baldry
Ombudsman