

The complaint

Ms J complains about the repairs carried out by Acromas Insurance Company Limited's contractor under a buildings insurance claim.

What happened

Ms J holds buildings insurance cover with Acromas. In late 2021 she made a claim as there was a leak in her bathroom (caused by a leaking pipe). Acromas accepted the claim, and its contractor carried out a repair in April 2022.

In October 2022, Ms J told Acromas she'd noticed discolouration to the tiles in the shower, and the grouting was cracking. The contractor reattended and said water was sitting on a recessed shelf in the shower, and then penetrating through the shelf down behind the wall, and causing the discolouration to the tiles. They said this was a separate issue to the repairs they'd carried out in April 2022. They also said they hadn't removed all the tiles in April 2022.

Ms J disagreed with the contractor's conclusions, and said all the tiles had been removed by them in April 2022. She thought the contractor was therefore to blame if water was getting through the tiles via the shelf.

The contractor said that the issue was caused by a design fault. Acromas therefore didn't accept that the damage had been caused by its contractor's repairs. It also said design faults weren't covered by the policy so it couldn't consider the matter under a new claim. Unhappy with this, Ms J brought a complaint to the Financial Ombudsman Service.

Our investigator didn't recommend the complaint be upheld. She thought the available evidence supported that the issue was due to the poorly designed shelf, rather than the repairs carried out in April 2022.

I issued a provisional decision on 16 April 2024. Here's what I said:

'I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint.'

Acromas says that when its contractor looked at the damage in October 2022, they said that water was getting in around the sealant of the recessed shelf, and that this hadn't been sealed correctly when installed and was allowing water to ingress behind the tiles. The contractor also said they didn't complete any work around the recessed shelf as part of the April 2022 repair.

However, I've seen photos which show that the contractor did remove and replace all the tiles in the shower in April 2022, including to the recessed shelf. So I can understand Ms J's point that if the sealant had failed, this was the contractor's fault.

After Ms J had shown that the contractor had removed the tiles, the contractor said the standing water in the shelf was penetrating the grout and running behind the tiles. They also said the shower and tiles were installed not too long before the initial claim, and the problem

would have always arisen at some point in the future. They concluded it was a design fault.

Ms J says the shower had been installed more than three years earlier, and she'd never experienced any problems with the shelf before Acromas' contractor carried out repairs.

The contractor has provided photos which it says shows that the grout was discoloured around the shelf before it carried out any works. I've looked at the photos, and the grout seems to me to be the same colour as it is everywhere else. I don't think this shows there was existing damage to the shelf area before the contractor carried out repairs.

Taking everything into account, I think the evidence supports that Acromas' contractor was likely at fault for the damage. Ms J hadn't experienced problems with the shelf before the repairs were done, and we know that the contractor did remove and replace the tiles during the April 2022 repair (even though they denied this).

So I intend to require Acromas to carry out a repair. This should be with a different contractor as Ms J understandably doesn't want the same contractor to do any further repairs.

I understand Ms J has arranged a temporary repair, though I don't know if she did this herself or paid for it to be done. If it's the latter, then she should be reimbursed for this, plus interest. I also think Ms J has been caused inconvenience by the matter, and I intend to require Acromas to pay her £350 compensation for this.

Ms J also complained about the April 2022 repair, though I note that Acromas didn't address this aspect of her complaint in its final response. She thought there had been an unacceptable delay in the contractor starting the repairs. She also said she had been told she would receive disturbance allowance of £10 per day, as well as reimbursement of her increased electricity costs for the dehumidifiers and the shower pod that was installed whilst the repairs were taking place.

We asked Acromas about the delay, and it said its contractor couldn't start the repairs until drying had completed. However, as I understand it, the dehumidifiers were removed on 2 March 2022, but the repairs didn't begin until 4 April 2022. So it seems there was a month's delay here. I intend to require Acromas to pay Ms J £200 compensation for the inconvenience she was caused by the delay, as she had to use the pod on the driveway to have showers.

We asked Acromas in August 2023 about the reimbursement of Ms J's electricity usage, and it told us it would check that her electricity bills had been requested and reviewed for reimbursement. However, it seems Ms J hasn't heard any further about this. So I intend to require Acromas to review Ms J's electricity bills and make a decision about whether she should be reimbursed for additional electricity costs.

Ms J says she was told by Acromas that she'd receive £10 a day disturbance allowance while she was without use of the bathroom, though I haven't seen any confirmation of this. I'd usually expect disturbance allowance to be paid to recognise additional costs that someone has incurred by remaining in their home whilst repairs are taking place. If Acromas is covering the additional electricity costs that Ms J incurred by using the shower pod, I wouldn't expect it to also pay disturbance allowance. However, if Acromas has agreed to do so, it should confirm this in response to this provisional decision.'

I asked both parties for any further comments they wished to make before I made a final decision.

Acromas asked if it could arrange for an independent surveyor to carry out an inspection.

Ms J responded to confirm her acceptance of my provisional decision. She also made the following points:

- The £10 daily disturbance allowance was a verbal agreement and it was intended to cover the 30-day period from the removal of the dehumidifiers until the repairs started. She explained it was to recognise the inconvenience she experienced of needing to shower in the pod on her driveway.
- She confirmed that she paid a contractor to carry out the temporary repair.
- She would like some assurance that the contractor Acromas uses to carry out the permanent repair is competent.

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.

Acromas asked if it can arrange for an inspection to take place by an independent surveyor, in order to establish liability on the grouting. However, I don't see the value in arranging for an inspection to take place now. I reached my provisional findings based on the available evidence, and I was persuaded by Ms J's testimony that there hadn't been a problem with the recessed shelf before the April 2022 repairs were carried out. Also, Ms J has since (understandably) had a temporary repair carried out, and therefore an inspection taking place now wouldn't be of the work carried out by Acromas's contractor in April 2022.

Ms J has questioned the £10 daily disturbance allowance. She explains this was a verbal agreement, and it was to recognise the inconvenience she experienced of having to shower in the pod on her driveway whilst the repairs were delayed. As she points out, I thought Acromas should pay £200 compensation for this, but she says she was expecting £300.

We went back to Acromas about this, and it says it hasn't been able to confirm that £10 a day disturbance allowance was agreed for Ms J.

As I said in my provisional decision, I'd expect disturbance allowance to be paid to recognise any additional costs incurred as a result of someone staying in their home whilst repairs take place. As Acromas is intending to cover the additional electricity costs that Ms J paid for using the shower pod, I don't require it to also pay her disturbance allowance. I remain satisfied that £200 is reasonable compensation for the inconvenience she experienced over this period.

Ms J would like some assurance that the contractor Acromas uses to carry out the repair is competent and able to work to a professional standard. Whilst I can understand Ms J's concerns given what happened with the previous repair, I can't make any guarantees about the standard of the new contractor's workmanship. I would of course expect Acromas to use a reputable contractor, but if she experiences any issues with the new repair, she should contact Acromas about this in the first instance.

My final decision

My final decision is that I uphold this complaint. I require Acromas Insurance Company Limited to do the following:

- Repair the damage discovered in October 2022 (the repair should be carried out by a different contractor to the contractor that carried out the April 2022 repair).

- Reimburse Ms J for the temporary repair. Interest should be added at the rate of 8% simple per annum from the date she paid the invoice to the date of settlement.*
- Pay Ms J total compensation of £550**
- Review Ms J's electricity bills. It should then decide whether she should be reimbursed for additional electricity costs incurred because of the dehumidifiers and shower pod.

* If Acromas considers that it's required by HM Revenue & Customs to take off income tax from that interest, it should tell Ms J how much it's taken off. It should also give Ms J a certificate showing this if she asks for one, so she can reclaim the tax from HM Revenue & Customs if appropriate.

**Acromas must pay the compensation within 28 days of the date on which we tell it Ms J accepts my final decision. If it pays later than this, it must also pay interest on the compensation from the deadline date for settlement to the date of payment at 8% a year simple.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms J to accept or reject my decision before 30 May 2024.

Chantelle Hurn-Ryan
Ombudsman