

## **The complaint**

Mr F has complained about his let property insurer U K Insurance Limited (UKI) as he is unhappy about the service received when he made a claim on the landlord's emergency cover.

UKI uses another company to administer and manage the emergency cover, but it is the underwriter. As such it is the respondent for any issues with the claim and any failures by its agents, handling and managing the claim, are its responsibility. For ease of reading, I'll mainly only refer to UKI in the decision.

This decision deals with Mr F's complaint about the service received. He also raised concerns the policy had been mis-sold. He asked for the premiums for emergency cover to be refunded. I've dealt with that issue in a separate decision document as it is an aspect of this complaint which I cannot consider.

## **What happened**

Mr F lets a property and he made a claim for that property under the emergency cover UKI provides as part of the property insurance (for an additional premium). UKI's agents were told that water leaked under the boiler when the heating at the property was used. When an engineer attended, he said the leak was likely coming from the flat next door, so access to that flat would be required. UKI subsequently closed the claim.

In May 2023 Mr F, prompted by realising the policy with UKI had renewed automatically, remembered the repair issue was outstanding. He called UKI and a new claim was opened. An engineer eventually fixed the leak on 28 July 2023.

Mr F told UKI he was unhappy about how the claim had been handled, including the initial pause once the engineer decided the neighbouring property needed investigating. There were also various problems with the appointments booked for attendance. Mr F felt the damage caused by the leak had worsened over the months UKI had failed to fix the leak. He said it had cost him £476.50 in time and materials to reinstate the wall and felt UKI should reimburse his outlay. He noted he may have to do further work yet to make good the area.

UKI's agent issued a final response, on UKI's behalf, on 19 September 2023. It said it felt there had been some service failings by it. It said it would pay £140 compensation. It explained that it was not liable, under the emergency cover, for reinstating the area. Mr F remained unhappy and complained to the Financial Ombudsman Service.

Our Investigator felt there had been some service failings by UKI. But she felt the compensation offered was fair and reasonable. She noted the policy didn't cover reinstating the area, and she said there was no evidence of the water damage having got worse during the claim. So she wasn't persuaded to ask UKI to do anything more.

Mr F was unhappy. He said it was poor practice that he had to renew the cover in order to get the claim resolved. Mr F said it was unclear how or why he was being blamed for missed

appointments, or why UKI's file notes about why attendance hadn't occurred, seemed to have been taken at face value.

The complaint was referred to me for an Ombudsman's decision. I felt that UKI's engineer should reasonably have been aware, during the first visit in January, that the leak was not coming from next door. So I thought UKI should amend all internal and external records to show only one claim on Mr F's records and pay him an additional £100 compensation. My provisional findings were:

*"I think Mr F was let down by UKI in this instance. But I also note the compensation which has been paid and, having reviewed the available photographs, that the damage does not appear to have got worse. I think the compensation is fair and reasonable in the circumstances.*

*Sometimes, where leaks occur in a property which is part of a block of flats, it can be really important for an insurer to understand what is going on 'next door'. I bear in mind that many of the complaints I see about water leaks in flats relate to leaks occurring in another flat and causing damage to the insured property. So, to an extent, I understand the initial engineer's desire to check next door. But I think the concern over what might be happening next door was a red herring on this occasion.*

*Here UKI knew that the leak was occurring when the tenants were using the heating. It also seems the boiler was readily identifiable (to an expert) as a condenser boiler. And the fault, an issue with the condenser pipe, was correctly diagnosed by a subsequent engineer with no more than that detail. I think the initial engineer made a mistake and that caused Mr F's claim to be closed. That is until he realised the matter was outstanding. At which point a new claim was set up to deal with the leak. I think that was unfair of UKI so that is why I think it should amend the record.*

*However, I don't think that failure otherwise caused Mr F upset between January and May 2023. I understand he had asked his tenant to liaise with the neighbour and then UKI to reattend, that it was only when his policy renewed in May that he remembered the issue was outstanding. Mr F did then have to make some calls to get the claim underway again and there were then some missed appointments before the leak was resolved on 28 July 2023.*

*During the claim I note two failed appointments. The engineer in respect of each seems to have been given the wrong or incomplete address details. The engineers should have been given the correct address details. It was only in the run up to the appointment on 28 July that UKI thought to get confirmed contact details for the tenant to ensure they could be called if there were any issues.*

*I know Mr F made sure to be at the property for the appointment on 7 July. I understand though that the appointment finished early and the engineer left without seeing Mr F. I know this then resulted in the later appointment taking place on 28 July when the issue was fixed. It's unfortunate that the engineer left so soon after diagnosing the issue. But it isn't clear to me that opening up and tracing works could have been done that day even if Mr F had been consulted for authority. It's also not clear to me that Mr F told UKI that he would be attending that appointment. The access and fix appointment took place on 28 July which, I understand, was a date to suite the tenant. I don't think UKI failed Mr F regarding these particular appointments.*

*The compensation UKI offered of £140 will not cover the costs Mr F paid to fix the damage, nor what he'd paid for the renewed cover when the claim was raised the second time. But it isn't paid in those respects, it's paid to make up for distress and inconvenience which was caused. Given the details I've set out above, and as I've said, I'm satisfied it does that.*

*Mr F chose to continue with the renewal. I'm not minded to reimburse his costs in that respect as he has had/does have the benefit of that cover over the policy year. But I will award a further £100 compensation for Mr F. I appreciate that he felt frustrated as he believed, with a 'new' claim being logged, that he had no choice but to continue with the policy.*

*I've reviewed the photos of the damage in January and July 2023. It doesn't seem to have spread particularly or got worse. Given the leak occurred from a condenser pipe when the heating was on, it seems unlikely to have involved a lot of water each time. And as the heating would not have been on constantly, the area would have had chance to dry out in between. So I'm not persuaded it's fair to make UKI pay for repairing the damage on this occasion.*

*In saying that, I bear in mind that within the UKI policy, separately to the emergency cover section, there is cover for damage caused by water escaping. But that cover is different to that available on the landlord's emergency cover. And it was under the latter that Mr F claimed. If he had chosen to make a water damage claim instead UKI would have been liable for tracing and accessing the leak, as well as reinstating the area of water and access damage. But it wouldn't have covered the repair of the pipe. UKI would also have charged an excess. In contrast the emergency cover does not deal with reinstating the area damaged by water or to access the leak.*

*Mr F could still make a claim to UKI for the water damage. However, at this stage, his stated costs incurred of £469 are less than the £500 policy excess."*

UKI said it had nothing further to add, that it accepted my award.

Mr F said the leak only got fixed because of him and his tenant chasing UKI. He said it appeared I was giving it no more than a 'tiny slap on the wrist', rather making any award which would force it to improve its ways. Mr F said neither he nor his tenant ever misled UKI, or gave it incorrect information – he said he was disappointed that I had implied this might have happened (when talking about the engineer being given an incorrect address). Mr F offered a view on some of the other comments I'd made too. He said he was still unhappy about the policy renewing. Mr F said the experience was disappointing and stressful with so much of his and his tenant's time having been wasted.

### **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 note UKI has accepted my findings. It is regrettable that Mr F remains dissatisfied.

Our role is not to punish insurers, or make them change their ways. Our role is to decide disputes and, where appropriate, award fair and reasonable compensation for distress and inconvenience caused by an insurer's failings.

I'm satisfied that UKI failed Mr F in the handling of this claim. I did not mean to imply that Mr F or his tenant had misled UKI. I explained that UKI had failed Mr F and that its first engineer shouldn't have got side-tracked by the possibility of a leak from next door. When I talked about the engineer being given incorrect address details, I meant UKI's office should have made sure the correct details were passed on – but also, as a failsafe, UKI should

have thought earlier in the claim process to obtain contact details for the tenant, in case there were any problems. These were criticisms from me of UKI, not of Mr F or his tenant. I appreciate Mr F's view of what happened, and what should have happened during the visit on 7 July. I accept that the visit was frustrating for him. But I remain of the view that it's not clear, even had the engineer waited to speak to Mr F, that trace and access work could have progressed that night.

Mr F has said I shouldn't have assumed that no upset was caused to him or his tenant between January and May 2023. On the contrary he had been calling the tenants regularly between February to May to ask for updates, and the tenant had said she didn't feel able to call UKI because the neighbour (whom the engineer had said needed to be spoken to) was never in. Mr F said he'd been chasing UKI too. I thank Mr F for providing this recollection of events. However, I note that prior to our Investigator offering his view, Mr F said that he had asked the tenant to chase UKI for him, particularly after mid-February when he'd suffered an accident, and it was when the policy renewed in May that he was reminded of the unresolved issue.

So I'll clarify here. I did not assume that Mr F had not suffered distress and inconvenience during this period (after UKI had erroneously said the neighbour had to be spoken to). Rather I had considered the details Mr F had provided and I'd reached a conclusion about what upset Mr F was most likely to have suffered. I'm not persuaded, by what Mr F has said in reply to my provisional findings, to change that view. I cannot take into account any upset suffered by the tenant as they are not the policyholder.

I appreciate that Mr F would rather have not renewed the policy with UKI. But the policy did renew and Mr F has had, and for the remainder of the policy year will have, benefit from it. I'm not persuaded it would be fair to make UKI reimburse any of that premium.

I appreciate that Mr F spent time resolving this matter. I am satisfied that UKI failed him in some respects. I remain of the view that total compensation of £240, plus UKI amending its internal and any external claim records, sufficiently puts matters right.

### **Putting things right**

I require UKI to amend its own records, including that of its agents, and any external databases, to show that only one emergency cover claim was made by Mr F. I also require it to pay Mr F a total of £240 compensation, where £140 of that sum has been offered previously by it. As long as £140 has already been paid, UKI will now only have to pay the remaining sum of £100.

### **My final decision**

I uphold this complaint. I require U K Insurance Limited to provide the redress set out above at "Putting things right".

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr F to accept or reject my decision before 10 September 2024.

Fiona Robinson  
**Ombudsman**

