

The complaint

Mr G and Miss P are unhappy with the repairs carried out by HDI Global Speciality SE (HDI) after they made a claim under their home insurance policy.

Where I've referred to HDI this also includes any actions or communications by its agents acting on HDI's behalf.

What happened

The background of this complaint will be well known to both parties, so I've summarised events.

In February 2020 Mr G and Miss P experienced an escape of water at their home and so submitted a claim under their home insurance policy with HDI. HDI accepted the claim and agreed to carry out repairs. In 2021 Mr G and Miss P told HDI they noticed the tiles fitted by it were moving underfoot. In 2022 they raised a complaint with HDI as they were unhappy this hadn't been resolved despite contractors visiting their home on more than one occasion. In October 2022 HDI upheld Mr G and Miss P's complaint and acknowledged the service and timescales had fallen short of its expectations and paid £500 compensation. Mr G and Miss P's current complaints concerns the events following this.

In July 2023 Mr G and Miss P raised a further complaint with HDI as they were unhappy the issues with the tiles hadn't been resolved. They said they were unhappy HDI were suggesting the issue was related to the fitting of the underfloor heating rather than poor workmanship when fitting the tiles. In November 2023 HDI arranged for some tiles to be lifted and it was agreed the issue with the tiles was due to poor workmanship.

On 5 March 2024 HDI issued a final response upholding Mr G and Miss P's complaint. It acknowledged the service, communication and timescales had been unacceptable and the request for a clear action plan had been overlooked. It said as it had been confirmed the issue with the tiles was due to poor workmanship it had accepted the estimate Mr G and Miss P had provided for the repair and would pay two weeks pet friendly alternative accommodation, storage facility costs, disturbance allowance and would consider any additional costs Mr G and Miss P may incur over their usual outgoings. It also paid £1,500 compensation for the distress and inconvenience caused. Mr G and Miss P didn't think this was reasonable and so referred their complaint to this Service.

Our investigator looked into things and said he thought HDI had handled Mr G and Miss P's claim poorly which caused a great deal of upset to them. He said he thought it was reasonable HDI had now agreed to cover the cost of repairs, alternative accommodation, disturbance allowance and other costs incurred and the £1,500 compensation was fair. So he didn't uphold the complaint.

Mr G and Miss P didn't agree with our investigator. They said HDI had suggested the issue with the tiles had been caused by them which added to the stress and anxiety they had already been caused. They said the errors had impacted their mental health and so didn't think the compensation that had been offered was reasonable.

As Mr G and Miss P didn't agree with our investigator, 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.

I want to acknowledge I've summarised Mr G and Miss P's complaint in less detail than they've presented it. I've not commented on every point they have raised, instead I have focussed on what I consider to be the key points I need to think about. I don't mean any discourtesy by this, but it simply reflects the informal nature of this Service. I assure Mr G, Miss P and HDI I've read and considered everything that's been provided.

Much of Mr G and Miss P's concerns span the claim history from 2020 onwards, with specific points about HDI's actions from the early life of the claim. I want to make clear what I've considered as part of this decision. Mr G and Miss P have raised previous complaints with HDI which were addressed in final response letters from HDI. Under this complaint I've commented on events between HDI's final response letter of October 2022 and its final response letter of July 2024.

HDI have agreed the issues with the tiles were due to poor workmanship by HDI's contractor. So I think it's reasonable HDI agreed to cover the cost to rectify this, alternative accommodation, storage facility costs and a disturbance allowance for the period when the repairs take place. It's also reasonable it agreed to consider any additional costs Mr G and Miss P incur over their usual outgoings for this period

However it's clear Mr G and Miss P have been caused substantial distress and inconvenience due to the poor repair carried out, and the lengthy delays in the issue being rectified. HDI have recognised it's made mistakes and awarded £1,500 in compensation. So, I need to consider whether this sum takes into account the impact of its poor handling. I've outlined some of these issues below.

Following HDI issuing its final response to Mr G and Miss P in October 2022, it took until October 2023 for it to agree how to identify whether the issue with the tiles were caused by the previous repair. Based on the evidence provided I haven't seen any reasonable explanation for this lengthy delay and there are periods with little activity from HDI. The delay in agreeing an appropriate investigation into the issues with the tiles have caused Mr G and Miss P distress and inconvenience as they had tiles moving underfoot and no clear idea of how this would be rectified.

Once it was agreed the issue with the tiles were due to poor workmanship, Mr G and Miss P have spent time gathering estimates and preparing for the rectification repairs to take place. This will naturally cause disruption to Mr G and Miss P's daily life. Additionally, once HDI had visited the property Mr G and Miss P had to live in a home with tiles that had been lifted which would have caused inconvenience. This could have been avoided had the repairs by HDI's contractor been carried out to an appropriate standard in the first instance.

Mr G and Miss P were unhappy with HDI's suggestion the issue with the tiles may have been caused by the installation of underfloor heating. HDI have said it appeared the issue was either caused by the installation of the underfloor heating or by the adhesive used to fix the tile and so it was necessary to lift tiles to identify the issue. I understand Mr G installed the underfloor heating himself, and so I can understand why he was upset it was being suggested this may have been causing the issues with his tiles, especially when it was later confirmed the issue was with the adhesive used on the tiles.

I've taken into consideration whilst Mr G and Miss P had the frustration of their tiles moving underfoot for a considerable period of time, and later with tiles having been lifted, this was isolated to one part of their home which was habitable during this period. There's no question Mr G and Miss P have been caused substantial distress and inconvenience due to the lengthy delays and poor communication since October 2022 as well as the substandard repair to their home. They have clearly spent considerable time trying to resolve this issue. Taking all of this into account and everything Mr G and Miss P have said about the distress and inconvenience caused, I think the £1,500 HDI have paid is reasonable.

My final decision

For the reasons I've outlined above, I don't uphold Mr G and Miss P's complaint about HDI Global Speciality SE.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr G and Miss P to accept or reject my decision before 6 January 2025.

Andrew Clarke
Ombudsman