

The complaint

Mr R and Mrs K complained about the quality of repairs, the delay in their claim and overall poor service they've received from QIC Europe Ltd ("QIC") who provide their home insurance policy.

What happened

Mr R and Mrs K made a claim when the roof of a neighbouring property blew off and caused significant damage to several parts of their home.

Whilst QIC accepted the claim, Mr R and Mrs K experienced issues from early on. They were given temporary accommodation in a hotel but given the poor administration by QIC they were left to settle the costs of the hotel themselves initially and had to borrow "*thousands of pounds*" from friends.

Mr R and Mrs K weren't given a single point of contact and had to rely on contacting QIC via an online app which they found unresponsive. Mr R and Mrs K tried to get hold of direct telephone numbers and email addresses to contact a person to progress their claim and needs.

Mr R and Mrs K were moved back into their home whilst it had a tarpaulin roof covering and was still leaking water. They were left to organise their own electricity and gas checks with out been funded to ensure their property was safe.

Instead of been guided through the building process, Mr R and Mrs K weren't given access to a schedule of works nor did they feel part of any decisions on the re-build of their house. The appointed contractor further sub-contracted work to another third party, who then Mr R and Mrs K found was very hostile to them.

Mr R and Mrs K weren't qualified to manage the builders and sought help from QIC to manage them. They tried to read up on regulations to check what was going on and were increasingly concerned about the work. Mr R and Mrs K spent many hours communicating all the faults of the work to QIC. It took the best part of a year before QIC removed the poorly performing sub-contractor and appointed a new party to repair the faults. Two years have passed, and the projects still isn't complete.

QIC provided a brief final response to the complaint in October 2023. QIC apologised and recognised the work wasn't too standard. It offered £750 in compensation.

Our investigator decided to uphold the complaint. He didn't think the compensation was reasonable for the faults QIC admitted to, so he increased it to £1,250. Mr R and Mrs K disagreed, so the case has been referred to an ombudsman.

My provisional decision

I made a provisional decision on this on 1 October 2024. I said:

“Our investigator has provided a lot of detail in his view and recommendations for this complaint, which QIC has agreed to. Given the facts of the case are well known and QIC hasn’t disputed these, I see no point in further elaborating on these.

However, Mr R and Mrs K disagreed with our investigator’s conclusion and asked for the case to be escalated to an ombudsman. They’ve said “we feel you’ve not taken into account the stress and anxiety this has caused us or the hours we’ve needed to spend over 2 years trying to fix the mistakes made with our claim. The property still needs weeks of work to complete and still won’t be completed to a stage the house was before the claim started. We’re still having zero contact with the insurance company about ongoing issues or when work will begin so feel we need a more detailed response regarding the final outcome of the claim”.

Therefore, I’ve considered whether the compensation offered is fair for what has gone wrong. To be clear, my jurisdiction only allows me to consider putting right any issues for the period up until the final response was issued on the 10th October 2023 – which is 18 months after the claim started.

Mr R and Mrs K have explained at length how the poor handling of this claim has affected them, which I’ve read carefully and summarised the main points:

- *Stress and embarrassment at having to loan money from family and friends to pay hotel bills and to check safety of utilities when forced back into their home*
- *Hundreds of hours both Mr R and Mrs K have spent cleaning up after unprofessional building contractors and researching building regulations due to suspicions over quality of work and hostility of builders who wouldn’t answer our questions about what they were doing. Constantly stressed trying to educate themselves on building practices and regulations to make sure repairs had been carried out incorrectly*
- *Using own personal car to collect and dispose of debris from the house*
- *Significant stress which has caused extremely difficult and vulnerable circumstances*
- *No use of outside space at home, with both garden lawns still covered in building waste left by contractor*
- *Both Mr R and Mrs K had to take paid leave to accommodate the contractors in their home when work had to be repeated as it wasn’t to standard e.g., the attic needed to be emptied and painted 4 times due to faults each time and they spent hours getting it emptied and the moving everything back*
- *Stress of spending months stopping children or pets from going outside after construction materials constantly being dropped off scaffolding onto walkways into the house.*

Mr R and Mrs K said “many issues would have been missed with nobody from [QIC] checking any of the work or attending the property. [We had] the stress and concern that work the first contractor completed [was] not safe. We have found 3 separate jobs that the first contractor completed that could be regarded as dangerous:

- *chimney filled with debris and not sealed correctly*
- *a wooden roof beam that was damaged [where new roof was to be fitted which meant it would have] a high likelihood of collapse*
- *roof fitted incorrectly leaving large gaps on interior beams with potential of collapse”.*

I have no doubt in reading Mr R and Mrs K’s testimonies that the level of distress and inconvenience has been high. There has been extreme disruption to daily life for a long period. It has caused unrelenting stress on both parties which has put them into a vulnerable situation. I have no doubt this has had an impact on their health, the high levels of stress

over such a long period, the hours of checking and researching work, chasing up insurance companies and clearing up after unprofessional builders. Therefore, I intend to uphold this complaint, Mr R and Mrs K have endured a nightmare. For that reason, I intend to increase the level of compensation to £4,000 (£3,250 more than has been offered).

I would also clarify; this compensation only considers the stress and inconvenience they have suffered to 10th October 2023 for the reasons I've set out. I expect Mr R and Mrs K to make a further complaint for the remaining time of the claim beyond the final response date as I know it has been ongoing. Mr R and Mrs K raised other points with our service which I haven't been able to consider, as these haven't been raised as far as I can tell with QIC, such as:

- *Clarification of what warranty is being issued for the repairs and who will hold the warranty*
- *An official reply regarding the work that was completed by the sub-contractor after it had been contracted out once by QIC, and specifically in relation to the work that changed the appearance of the property without Mr R and Mrs K's agreement*
- *Any delays, distress and inconvenience post 10th October 2023*
- *Funding for getting an independent assessment and inspection of the work carried out (especially by the first sub-contractor)*

I haven't considered these points at all and would expect them to form part of a further complaint".

Responses to my provisional decision

Mr R and Mrs K didn't reply to my provisional decision.

QIC accepted my provisional decision. It said *"we agree to accept the increased compensation totalling £4,000 and have noted the other issues raised"*.

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.

Given neither party has provided any new information, I see no reason to change my provisional decision.

My final decision

My final decision is that I uphold this complaint. I require QIC Europe Ltd to:

- Pay £3,250 in compensation – for distress and inconvenience (QIC should also pay the £750 offered if it hasn't already done so).

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr R and Mrs W to accept or reject my decision before 13 November 2024.

Pete Averill
Ombudsman