

The complaint

Mr B and Mrs F complain about U K Insurance Limited (trading as Direct Line – “UKI”)’s handling of their buildings insurance claim.

All references to UKI also include its appointed agents.

What happened

UKI did not provide a final response to the complaint, however it provided referral rights for Mr B and Mrs F to bring their complaint to our service in September 2024, we received UKI’s file for the complaint in October 2024. Therefore, my decision considers matters up to the date UKI provided its file to our service in October 2024. If Mr B and Mrs F remain unhappy with anything following this date, they will need to raise a new complaint with UKI and may consider bringing a further complaint to our service should they not be satisfied with its response.

Mr B and Mrs F are unhappy with UKI’s handling of their escape of water claim.

They raised several issues which I’ve summarised below:

- Delays and poor communication during the claim. This included an initial delay in commencing with drying works at the property, meaning the property continued to deteriorate.
- Mr B and Mrs F said when they returned to the property in April 2024 the property didn’t have a working heating system. They said they hadn’t been informed about this previously and had not been given a satisfactory explanation by UKI. They said the heating had worked when the property was handed to UKI’s contractors but didn’t when they returned.
- UKI appointed an independent expert (“WK”) to provide comment on the heating issues, which confirmed these had been caused by works carried out by UKI’s contractors. UKI and its contractors have since disputed this.
- Mr B and Mrs F say they have subsequently been left without heating and limited hot water in the property for several months as a result.
- Mr B and Mrs F say they want UKI to restore an operational heating system like they had prior to handing the property over to its contractors.
- To put things right, Mr B and Mrs F want UKI to reinstate the house and central heating system to its state before the escape of water incident in December 2022.

Subsequent response and offer from UKI.

In its submission to our service, UKI in summary said the following:

- It had caused avoidable delays in progressing the claim between December 2022 and March 2023.
- Although it didn’t feel it was connected to the leak, UKI said its contractors should have outlined the issues with the pipework on the first and ground floor to Mr B and

Mrs F. This would have allowed them the chance to decide whether they wanted to make the necessary upgrades to their system.

- UKI said it was willing to instruct its contractors to undertake a localised repair to the piping. Or alternatively has offered to finance the complete rerouting of the pipework.

UKI also offered to pay Mr B and Mrs F £1,000 compensation for the distress and inconvenience caused.

Mr B and Mrs F rejected UKI's offer. So, our investigator proceeded to look into matters.

Our investigator's view

Our investigator recommended the complaint be upheld. However, she felt UKI's offer was fair and reasonable so therefore didn't make any further recommendations.

Mr B and Mrs F didn't agree with our investigator's view of the complaint and asked for an ombudsman to review matters. In doing so, Mr B and Mrs F have provided further submissions in which they've reiterated their complaint points and their dissatisfaction of the outcome recommended by the investigator.

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 understand Mr B and Mrs F feel strongly views about what has happened. They've provided several submissions for me to cover which I want to assure them I've read and considered carefully.

However, my findings focus on what I consider to be the crux of the complaint, and not on all the points raised. This isn't meant as a discourtesy, nor does it mean I haven't thought about a particular point or piece of evidence, I have. But the purpose of my decision isn't to address every single point the parties have raised or to answer every question asked. My role is to consider the evidence presented by all parties and reach what I think is a fair and reasonable decision based on the facts of the case.

In this case, UKI have made an offer to put things right, so I've thought about what's happened, what has gone wrong and whether UKI's offer is fair and reasonable in the circumstances to put things right.

Having done so, I think UKI's offer is fair. I will explain why:

Delays

- I can see there were issues with arranging drying at the property, Mr B and Mrs F had to eventually arrange for their own contractor to remove wet carpet and install drying measures at the property until UKI could attend, but I can't see this happened until March 2023, several months after the claim had been initiated. UKI accepted it caused a delay here.

The pipework and issues with the heating system

- During work at the property UKI's contractors identified a defective section of pipe. UKI didn't notify Mr B and Mrs F of this issue and instead instructed its contractors to proceed. I don't think is reasonable. Had UKI made Mr B and Mrs F aware, they could have made an informed choice as to whether they needed to take action to

arrange repairs, or make amendments to their pipework, before UKI carried out repairs under the claim.

- UKI acknowledge it would have been best practice for it to have notified Mr B and Mrs F, but it didn't. And when Mr B and Mrs F returned to the property they were without heating and only then did they become aware of the issues with the piping.
- It has been confirmed by an independent expert in WK that the works carried by UKI's contractors have led to the issues. While I can see there has been subsequent back and forth between UKI and WK about this, I'm not persuaded any further comments showed WK's opinion had changed.
- When a business does something wrong, our service would expect it to put a consumer back in the position in had been before the issue occurred. Having reviewed UKI's offers to carry out a localised repair to the piping or reroute the system, it has done that.
- Mr B and Mrs F commented they were not happy with a localised repair, as its contractors were not able to guarantee further damage to the piping system. I wouldn't expect UKI to guarantee the integrity of the rest of the system, only to repair and make right the section it has been established to have potentially caused damage to when it removed and reinstalled the radiator. UKI has pointed out issues with the installation of the system, while this might have been acceptable at the time the property was built, it isn't common practice, so UKI has offered an alternative in re rerouting the pipes. So, I think this if fair.
- UKI's has caused issues in its handling of the claim, and I can fully understand why Mr B and Mrs F feel the way they do, this is their home and I think it must have been quite distressing to return to their home to find out further issues had occurred. And that subsequently they were left without heating and only had limited hot water for a relatively substantial period. However, having reviewed everything available, I feel UKI's offer of £1,000 compensation fairly recognises the distress and inconvenience they have been caused by everything that happened.

So, for these reasons, I uphold this complaint.

Putting things right

To put things right UKI should:

- Repair the affected area identified in WK's report and restore the heating system, or.
- Alternatively finance the rerouting of the impacted section of pipework if this is Mr B and Mrs F's preferred option.
- Pay Mr B and Mrs F £1,000 compensation.

My final decision

My final decision is that I uphold Mr B and Mrs F's complaint.

To put things right I direct U K Insurance Limited to do as I've set out above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr B and Mrs F to accept or reject my decision before 27 May 2025.

Michael Baronti
Ombudsman