

The complaint

Mr C and Miss W have complained about the way Andrew Smith, trading as Citrus Compliance (“Citrus”), acted in relation to a claim made under a buildings insurance policy.

Mr C has mainly dealt with matters on behalf of Miss W, so I’ll refer to him only for simplicity.

What happened

The circumstances aren’t in dispute, so I’ll summarise the background:

- Mr C had a buildings insurance policy underwritten by an insurer, Z.
- Following water damage, Mr C made a claim on the policy which Z accepted.
- In June 2024, Mr C appointed a company, L, to act as a loss assessor. L was an appointed representative of Citrus. L agreed with Z to settle the buildings claim at around £26,000. Z later agreed to pay a further sum of around £1,250. But no payments were made to L.
- L arranged for a builder, B, to carry out repairs. Work began in early October 2024 and was due to take around eight weeks. During that time, Z paid for Mr C and his family to move into alternative accommodation (“AA”), and for removals and storage.
- In early December 2024, Mr C complained to Citrus. In summary, he said:
 - The repairs had been carried out to a poor standard by B, including:
 - B replaced a ceiling, which collapsed soon after.
 - B caused a further leak, which damaged the carpet.
 - B left a lot of mess, which Mr C had to clean up.
 - B damaged several items of contents.
 - As a result, some of the original insured damage remained to be repaired, further damage had been caused, and more work was needed.
 - L hadn’t managed the project well. As a result of this and the repair problems, Mr C and his family were caused distress and inconvenience.
 - Whilst B had made an offer to put things right, this wasn’t enough to cover all the costs and compensation for the problems caused.
- In February 2025, Citrus responded to the complaint. In summary, it said:
 - L was an insurance claims management firm, and it wasn’t in control of B. Though there were repair problems, L managed the project well.
 - B admitted liability for the repair problems. B offered to forego the £17,692 payment it would have received for carrying out the work and for this amount to be paid to Mr C instead.
- Mr C remained unhappy and asked this Service to consider the matter.

- After Citrus disputed the extent to which we could consider the complaint, I made a decision about our jurisdiction on 16 February 2025. In short, I found we could consider the complaint in full.
- Our investigator set out her view on the merits of the complaint. She thought Citrus should pay just under £19,000, including the likely cost of building work, AA, storage, removals, and £750 compensation. This figure took into account that Z had paid Mr C the previously agreed settlement, and he'd passed some of it to Citrus.
- Mr C agreed with this suggestion. Citrus disagreed. In summary, it said:
 - The amount B offered to forego was more than sufficient.
 - The scope and cost of work submitted by Mr C was greater than necessary. Citrus said it estimated the work required would cost £2,000-£3,000.
 - The scope and cost of work is set by Z, not Citrus, L or B. Citrus can't be responsible for a greater scope or cost than was approved by Z.
 - A quote from one contractor was unreliable and should be disregarded.
 - Citrus' evidence has been "ignored" by our investigator.
 - AA isn't required for the necessary scope of work, or at least not for as long as Mr C had suggested. It also questioned the choice and cost of AA.
 - Storage and removals weren't required for the same reasons.
- Our investigator wasn't persuaded to change her mind. As an agreement wasn't reached, the matter has been referred to me.

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.

- When considering what's fair and reasonable in the circumstances I've taken into account relevant law and regulations, regulators' rules, guidance and standards, codes of practice and, where appropriate, what I consider to have been good industry practice at the time. Whilst I've read and taken into account everything said by both parties, I'll only comment on the points I think are relevant when reaching a fair outcome to this dispute. That's a reflection of the informal nature of this Service.
- It's clear that Citrus doesn't agree with the jurisdiction decision I made for this complaint. But the opportunity to challenge it has passed. So the decision stands. In summary, I found Citrus was responsible for the way L and B acted in relation to Mr C's claim with Z. And that meant we could consider Mr C's entire complaint against Citrus. I'll now go on to consider the merits of this complaint.
- I don't think Citrus disputes that there were problems with the repairs. In its complaint response, Citrus said "there were issues with the quality of work". I understand that's because B accepted fault. It said "the work carried out by my company did not go according to plan and we had problem after problem throughout the work ... after we finally finished the leak from the shower [it] wasn't cured and in fact we created an even worse leak." and "We then ended up drilling holes in the newly plastered and painted walls to find this new leak, only to realise that we didn't do the job properly and we were the cause of the new leak ... we are 100% to blame for this and many other issues at the house".

- B offered to forego the £17,692 payment it would have received for carrying out the work and for this amount to be paid to Mr C instead. It said “this will allow you to finish off the snagging and now understandably have all pipework checked and the bathroom refitted to a good standard [and] the kitchen ceiling repainted etc”.
- As a result, I think there’s no question that B carried out the repairs poorly and caused problems. And, as I found Citrus responsible for B’s work, that means Citrus is responsible for putting the damage and problems right. The dispute centres on what Citrus should do to put things right. In short, how much it should pay Mr C.
- Ultimately, B didn’t pay Mr C the amount it offered to forego. Nor did Citrus or L. And Mr C said the amount B offered may not have reflected the full cost of putting things right, plus compensation.
- I’ll set out the general approaches relevant to this complaint, and then move on to consider how that impacts this particular complaint.
- When a repair is carried out for a consumer, I would usually expect the repair to be lasting and effective. That’s a longstanding approach to repairs taken by this Service to ensure consumers are treated fairly and reasonably. It’s been followed across the buildings insurance industry for many years.
- If a lasting and effective repair isn’t achieved, as was the case here, I would usually expect the responsible party – in this case, Citrus – to pay what is required to provide a lasting and effective repair.
- That payment may be more or less than the original cost of the repair. And it may include costs associated with putting the damage right, such as AA. It may also include work that wasn’t part of the original scope of repair. But I would only expect the payment to include costs that are *reasonable and necessary* in order to provide a lasting and effective repair, including any damage caused by the responsible party.
- Citrus has repeatedly said it can’t be held responsible for work or costs that didn’t form part of the original schedule of work. But I disagree. Citrus hasn’t pointed to any law, regulations, rules, contract terms or similar to support this position. Nor has it explained how such a restriction would treat Mr C fairly and reasonably.
- An example may help to explain the approach. If a builder carried out a repair valued at £10,000 and negligently caused the entire house to burn down, it’s plain to see why capping the builder’s liability at £10,000 and the original scope of work is unlikely to produce a fair and reasonable outcome. It’s likely to be fair and reasonable for the builder to pay the full cost of reinstating the house, replacing fire damaged contents, and providing AA until such time as the residents can reasonably return.
- Aside from any financial loss Citrus, L or B may have caused Mr C, a separate payment for non-financial loss may also be justified, depending on the extent of unnecessary distress and inconvenience caused by the failure to provide a lasting and effective repair.
- So, what do these general approaches mean for Mr C’s particular complaint?
- Mr C provided two quotes for the work he said was required to put things right. The first, from S, was for £19,500. The second, from T, was for £17,735.47 – but it excluded the carpet, tiles and sanitary goods. If I add the likely cost of the missing

items to T's quote, the £19,500 Mr C is asking for appears to be a reasonable amount. That means the quotes were effectively similarly priced for similar work. They indicated £19,500 was representative of the likely open market price for the work Mr C thought necessary.

- I note Citrus' point that S appears to be listed as a dormant company, and this naturally casts doubt on S' reliability. So it may be appropriate to exclude S from consideration given Citrus' concerns. T's quote alone still supports Mr C's position about the likely cost involved for the work he says is required to put things right.
- T's quote is also consistent with the detailed documents Mr C has put together to outline his views on what went wrong with the work – and what needs doing to put it right. Mr C took a clear and thorough approach to this, setting out his points area by area, with reference to B's schedule of work, and with supporting photos. It's compelling testimony – and is consistent with B's comments.
- B said its offer was intended to cover the cost of refitting the bathroom, restoring the kitchen ceiling, repairing plaster, and other snagging. That's broadly similar to the work Mr C said was required – and which T quoted for. I bear in mind that B accepted it caused the problems due to poor workmanship. So I have no reason to suspect it would overstate the work required to put things right. On the contrary, a party responsible for a problem is generally more likely to minimise the impact.
- Citrus also put together some comments, and shared some photos, to explain why it thought the scope of work in the quotes from S and T was much greater than necessary. Whilst I've taken this into account, I'm mindful Citrus didn't provide a scope or quote from an alternative contractor or ask Mr C to obtain any other scope or quote – despite its concerns about S. Nor did Citrus ask an independent surveyor to provide advice on the matter.
- Some of Citrus' comments contradict what B said. For example, whilst B accepted the kitchen needed to be refitted, Citrus hasn't. As I noted above, B is unlikely to have overstated the required repairs. So Citrus' contradictory position isn't credible. Citrus' comments have been answered by Mr C clearly, persuasively and in detail. That answer was shared with Citrus, but it didn't comment further.
- And Citrus' own position is inconsistent. On one hand, Citrus told us "We are not a building firm but are a regulatory host". On the other, it said "We have estimated the actual remedial work required to amount to a likely cost of not more than approximately £2,000 - £3,000". Given Citrus isn't a builder, it isn't relying on a builder to inform its position, and it has contradicted B in places, I question how accurate its estimate is likely to be. Whereas, even excluding S, Mr C has a scope and quote from T, which has a great deal in common with B's comments. So I think that makes Mr C's position much stronger than Citrus'.
- I bear in mind that B's offer was to forego over £17,000. If the cost to put right its mistakes was genuinely around £3,000 at most, it would be a remarkably generous offer. It would be highly unusual to give up over £17,000 for work thought to be worth, at most, £3,000. Even if B had intended to include compensation for non-financial loss as part of the agreement, it would still likely mean giving up well over £15,000 more than necessary. I think that's unlikely.
- I note that B's offer is lower than the amount Mr C has asked for. It doesn't appear B scheduled and priced the work required to reach its offer. Rather, it simply agreed to

forego the full amount it would have received for carrying out the work. So I don't think it's directly comparable to T's quote or the £19,500 Mr C has asked for. Nonetheless, B's offer is within 10% of what Mr C has asked for. And, in my experience, it's common for a contractor asked to put right another contractor's work to charge more than it may cost the original contractor to do the same work. So, I think that means the amount Mr C is asking for, which is in line with T's quote with the missing items, is broadly consistent with B's offer.

- Whilst Citrus has repeatedly said its evidence has been ignored, that clearly isn't the case. Our investigator engaged with the evidence in detail. She was simply more persuaded by Mr C's position than Citrus' – but that doesn't mean she ignored the information Citrus shared with us. I've reached the same view as our investigator, for broadly the same reasons, and have set out my thinking in detail to ensure Citrus can see that its evidence has been thoroughly considered.
- Taking all of this into account, on balance, I'm more persuaded by Mr C's position than Citrus'. For the reasons given above, I consider the scope of work set out in T's quote, plus the carpet, tiles and sanitary goods, represents the reasonable and necessary work. And I consider £19,500 is a representative cost of that work.
- Mr C said AA would be needed for the work. In part, this is because he has young and vulnerable children. I understand Mr C's son is partially blind and his daughter is severely asthmatic. I also note the scope of work includes refitting a bathroom, work to the kitchen and two bedrooms. These are the sort of circumstances in which I'd usually consider AA should be provided. I also note Z provided AA under the buildings insurance policy for a similar scope of work. So I consider Citrus should also pay for AA, for the period reasonably necessary to carry out the work.
- Mr C provided a quote for AA from the same location Z agreed for him and his family to stay when the initial repairs were carried out. Based on a five week stay, which is how long the work is estimated to take, the quote was £8,562.59.
- Whilst Citrus said the cost and choice of AA would be unacceptable to an insurer, in this case Z quite literally accepted this specific AA location earlier in the claim. The nightly cost in the quote is greater than Z paid. But I don't think the difference is unexpected or unreasonable, given costs rise over time and the initial AA benefitted from a discount no longer available.
- Though Citrus has suggested other AA may be available, which is suitable and more economical, I haven't seen any details, including quotes, from Citrus. It's said this is because Mr C hasn't co-operated. However, it's shown no evidence to support that position. And I would have thought indicative quotes could be provided without Mr C's input. Citrus ought to know the AA requirements he shared with Z during the claim and could have used these to at least explore options and estimates.
- I also note Citrus suggested AA may not be needed for the entire duration of the work. But I haven't seen more detail from it on this point, such as how long it thinks AA would be needed for, or which work can be accommodated whilst Mr C and his family are in the home.
- In these circumstances, I'm satisfied Mr C has shown AA is reasonably necessary for five weeks – and so the quote he provided should be paid by Citrus.
- Mr C also said storage and removals would be needed, at a total cost of £1,225.

Again, this is something Z funded for a similar scope of work. And with significant work taking place, together with the move to AA, it seems logical that storage and removals will be necessary. So I consider this cost should also be paid by Citrus.

- Lastly, I've considered non-financial loss for distress and inconvenience. It would undoubtedly have been disappointing, frustrating and upsetting for the work to be carried out to such a poor standard. Given my findings on jurisdiction, Citrus is responsible for B's poor work, which is the primary problem, and also L's failure to manage B's work effectively – even when Mr C raised concerns.
- As a result of the problems Citrus is responsible for, Mr C and his family will have to face a second round of repairs, almost as extensive as the first round. They will also have to move to AA for a second time. Additionally, they've been living with the damage for over a year since the repairs failed. Bearing all of this in mind, I'm satisfied they've suffered considerable distress and inconvenience. I think £750 compensation is fair and reasonable in the circumstances.
- All together, that means I consider Citrus is responsible for around £30,000 to put things right. However, Mr C has received £11,157.10 from Z, which is available to put towards the work. That should be offset against Citrus' responsibility, to ensure what it pays reflects Mr C's shortfall. That leaves £18,880.40 for Citrus to pay.
- I note Mr C separately received £16,461.42 from Z – and passed this to Citrus. So Citrus is effectively being required to return that money and pay around £2,500 extra. Given the significant failings Citrus is responsible for and the considerable impact they've had on Mr C and his family, around £2,500 is a relatively modest amount.

My final decision

I uphold this complaint.

I require Andrew Smith, trading as Citrus Compliance, to pay £18,880.40.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr C and Miss W to accept or reject my decision before 9 April 2026.

James Neville
Ombudsman