

complaint

Mrs H is unhappy about the delays and the claim settlement offered following her claim for water damage in her kitchen. The home insurance policy is provided by Millennium Insurance Company Limited.

background

Mrs H originally brought a complaint to this service and it was upheld. In that case the ombudsman said the policy had trace and access cover and Millennium should be responsible for any further pipework investigation costs. Also it should pay for the drainage examination and any further investigation costs. Finally, he said Millennium should reconsider the rest of the kitchen damage in line with policy terms.

Mrs H came back to this service to complain about delays as nothing happened after the ombudsman's decision. Our adjudicator upheld this second complaint. Once he became involved the matter did start to progress. But based on the delays he felt that Mrs H had suffered distress and inconvenience and said Millennium should pay £200 compensation. Regarding the dispute about the settlement amount to pay for the kitchen, our adjudicator said he had very little detail to go on. He said a 50% compromise of the amount between the two disputed figures should be agreed and calculated the payment at £4,612 including the £200 compensation. He said interest should be added to this figure. As Millennium didn't respond the complaint was passed on for a final decision from an ombudsman.

In my recent provisional decision I said complying with an ombudsman's decision isn't a regulated activity so Mrs H would need to get the previous decision enforced in court. All we could do would be to inform the Financial Conduct Authority about Millennium's lack of action rather than ask it to pay compensation.

I said there had been issues around the kitchen costs and a 50% settlement right in the middle of the figures put forward by Mrs H and Millennium of £3,465 after excess. Due to the lack of clear evidence either way I think this is a fair and reasonable amount. Mrs H has already paid out to have the kitchen done so Millennium should pay 8% simple interest on top of the settlement amount.

Mrs H accepted this and although nothing has been received in writing from Millennium I think it did verbally accept.

my findings

I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint.

As the parties accepted my provisional decision I see no reason to change it.

my final decision

I uphold this complaint.

I require Millennium Insurance Company Limited to:

- pay £3,465 as a contribution towards Mrs H's total kitchen costs;

- pay interest on this amount at the simple rate of 8% per year from the date Mrs H made her claim to the date it makes the payment. HM Revenue & Customs requires Millennium to take off tax from this interest. Millennium must give Mrs H a certificate showing how much tax it's taken off if she asks for one.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs H to accept or reject my decision before 8 April 2016.

John Quinlan
ombudsman