

complaint

Mr and Mrs A are unhappy with the standard of work carried out by Tesco Underwriting Limited's contractors following a water damage claim. They are also unhappy with the customer service and would like the work properly completed.

background

Mr and Mrs A reported a water damage claim following a leak in a bathroom. Tesco appointed contractors to validate the claim and to carry out repairs to the property. However, the work was not completed to an acceptable standard so a second company was appointed in its place, which then appointed a sub-contractor.

Mr and Mrs A are unhappy with the standard of the work carried out by both contractors. Tesco has advised that it now wishes to cash settle the claim as it has exhausted its network of contractors. However, Mr and Mrs A do not want a cash settlement and would like Tesco to complete the outstanding work. In addition, they would like Tesco to pay for boiler repairs and replacement bath tiles.

Tesco accepted that the repairs had not been carried out to a satisfactory standard, so it offered to make a cash settlement. It also agreed to pay 50% towards any undamaged wall tiles. Mr and Mrs A were unhappy with Tesco's decision and referred the complaint to this service.

Our adjudicator upheld the complaint. She concluded that Tesco was not entitled to cash settle the claim when it had elected to repair originally. Our adjudicator suggested that Tesco should appoint a surveyor to assess the works that need to be carried out, then allow Mr and Mrs A to select a contractor which Tesco would appoint on its behalf. She also recommended that Tesco should pay for the boiler repairs but considered that the 50% towards the undamaged tiles was fair. She stated that Tesco should pay £250 compensation for the distress and inconvenience caused to Mr and Mrs A.

Tesco did not agree to carry out the works through contractors. It maintained that it wanted to cash settle the claim. Tesco did agree to pay the cost of the boiler repairs, but not for the 12 month contract it came with. Tesco was not prepared to offer any more compensation as it said that it had already compensated Mr and Mrs A by waiving policy excesses and completing work that it was not obliged to do. It also agreed it would pay for the shower seal even though it felt this was not covered. Tesco stated this meant a total compensation of £342.02 was enough in the circumstances and it would not pay the further £250 recommended by this service. Therefore, this complaint was referred to an ombudsman for a final decision.

my findings

I have considered all the available evidence and arguments to decide what is fair and reasonable in the circumstances of this complaint.

The key issue in this case is the repairs. In discussion Mr and Mrs A have been clear with our adjudicator in that all they wanted was for the work to be done properly. It is also clear from correspondence that Tesco accepted that the works were not done to the appropriate standard. It seems in this case that Mr and Mrs A would like Tesco to conclude suitable repairs and that is a perfectly reasonable request.

Tesco has agreed to appoint a company it uses for building surveys to inspect the works and draw up a new schedule based upon the outstanding works and works that have not been completed to an acceptable standard. However, it is unreasonable for Tesco to insist upon cash settling following the production of the schedule. Tesco elected in the first place to repair and it was contractors appointed by it that failed to do the works properly. Therefore, it is reasonable for Tesco to follow the view laid down by our adjudicator.

Once the schedule is complete and agreed between the parties Mr A should select three contractors through the Find a Builder section of the Federation of Master Builders website. Tesco should then appoint one of these contractors to complete and put right the works listed in the schedule of works drawn up by the surveyor.

The repair of the shower seal which was priced at £49.02 should be included within the repair schedule and the work should be carried out by the contractor appointed by Tesco along with the rest of the agreed works.

Tesco's offer to pay 50% towards the undamaged tiles along with the full cost of any tiles damaged by previous contractors is reasonable. Again these works should be dealt with on the schedule created.

Regarding the boiler repairs it seems there is still some dispute here as Tesco claimed some time ago that the works undertaken by the second contractor to flush the system had rectified the problem. Mrs A is adamant that she had to involve a gas specialist and pay more due to the fault already existing to get the boiler works done. Tesco now accepts that it should pay for the boiler repairs but not for the 12 month contract that goes with it. Mrs A should contact the company who carried out the repair and get a breakdown between the repair cost and the on-going cover. Once this has been provided to Tesco it should arrange payment to Mrs A for the repair amount. This is a reasonable outcome.

This leaves only the issue of compensation, distress and inconvenience. Although I appreciate what Tesco says about waiving excesses and paying for a couple of minor costs that were not required under the policy I am not convinced that this is enough. It does appear to me that this was not a particularly tricky repair. It does seem as though it has taken an extremely long time and Mrs A has suffered poor service from two sets of Tesco contractors. It is clear that she has been living with the damage for a period of time far beyond that expected for a claim of this type. Mrs A has also explained her personal circumstances, so although I understand why Tesco says it has done enough I do agree with Mrs A that she is entitled to compensation for her distress and inconvenience. In view of the delays, poor standard of repairs and work still being outstanding the award of £250 compensation is reasonable.

my final decision

I uphold this complaint.

I require Tesco Underwriting Limited to:

- appoint a surveyor to assess the full extent of the work and then allow Mr and Mrs A to choose a contractor, which Tesco Underwriting Limited should appoint on its behalf to carry out the work;

- reimburse the cost of the boiler repairs, plus interest at 8% (simple) from the date that the payment was made, until the date of settlement, less any tax properly deductible;
- pay 50% of the costs of replacing any undamaged tiles;
- pay £250 compensation for the distress and inconvenience caused to Mr and Mrs A.

I make no other award against Tesco Underwriting Limited.

John Quinlan
ombudsman