

complaint

Mr and Mrs B have complained about the compensation offered by UK Insurance Limited (“UKI”) in relation to the handling of their claim following an escape of water at their property.

background

In late 2012, Mr and Mrs B made a claim to UKI following an escape of water at their home. UKI appointed contractors to make repairs to restore the property to its pre-loss condition. During the course of those repairs, in early 2013, the contractors removed the radiators and drained the heating system. Once the radiators were re-installed, it became apparent that the boiler was not working and the property was without heating or hot water.

UKI appointed contractors to assess the boiler and they concluded that it had failed due to wear and tear, which was not covered under the policy. Mr and Mrs B contested this, stating that the boiler was checked regularly by an appropriate expert and had not been found to need any maintenance or repairs. Despite repeated calls to UKI, policy cover continued to be denied. Therefore, after two weeks, Mr and Mrs B appointed their own contractor who, in fact, fixed the problem with the boiler (trapped air) within one very short visit. Heating and hot water were restored to the property and no further problems occurred.

However, during the intervening period before Mr and Mrs B’s contractor attended, the house was without heating or hot water. Mr and Mrs B complained about this – in particular given the time of year: it was the middle of winter, snowing and very uncomfortable in the house. Mr and Mrs B and their children attempted to prevent further discomfort by staying with friends, which caused them inconvenience.

UKI considered Mr and Mrs B’s complaint and offered them £200 compensation in recognition of the poor service it had offered them and the associated distress. It later also offered £640 as a disturbance allowance for the period during which the property was without heating or hot water (a total of 16 days).

Mr and Mrs B were not satisfied with this offer and so they brought their complaint to this service. One of our adjudicators assessed the case and considered that the compensation should be increased – from £200 to £350. UKI agreed to this amount but Mr and Mrs B asked for an ombudsman to review their complaint. Therefore, this case has been passed to me for my consideration.

my findings

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

I consider – and UKI has acknowledged – that it offered Mr and Mrs B poor service in relation to the problems identified with the boiler at their home. To have been without heating or hot water for two weeks during a period of acute cold weather (including snow) for reasons that were ultimately fixed by a contractor within one hour is clearly unacceptable.

UKI has correctly offered both a disturbance allowance and compensation to Mr and Mrs B for the (completely avoidable) stress, discomfort and inconvenience this caused to them and to their family over the course of two weeks. The question for me to consider is whether or not the amount of compensation offered is fair in the circumstances.

I appreciate that the distress in this case was acute: to be without heating or hot water is very uncomfortable and the fact that this coincided with such cold weather would have served to exacerbate that discomfort.

Mr and Mrs B sensibly took action to mitigate the impact on their family by arranging to stay with friends but this was inconvenient for them and that is also a factor in any award I might make.

On balance, I am not persuaded that UKI's initial offer of £200 sufficiently reflected the considerable inconvenience that Mr and Mrs B were put to in having to leave their home. They tried on many occasions to contact UKI to ask for a re-assessment as to whether the problem with their boiler was wear and tear, which only added to their inconvenience. It must have been frustrating and alarming to discover that the problem could have been rectified very simply at an earlier date.

I have noted Mr and Mrs B's comments that the compensation offered – including the increased amount following the intervention of this service – does not adequately compensate them for the inconvenience and distress they suffered.

Nonetheless, I am also conscious that, however acute, the period of time involved was not of a long duration. This is not to diminish the suffering caused here, especially given that one short visit from a competent contractor at the outset could have avoided it, but it is a factor in any award I might make.

Therefore, I am of the opinion that although the compensation originally offered was insufficient, the revised sum of £350 compensation is fair and reasonable in the circumstances of this case. In addition to the disturbance allowance offered by UKI, this constitutes a total award of £990.

my final decision

For the reasons given above, I uphold this complaint. I require UK Insurance Limited to pay Mr and Mrs B a further £150 compensation (in addition to the £200 compensation and the £640 disturbance allowance already offered). I make no other award.

Helene Pantelli
ombudsman