

The complaint

Mr and Mrs A complain about the way U K Insurance Limited trading as Direct Line Home Insurance (UKI) handled a claim made on their home insurance policy following a leak.

References to UKI include its agents.

Mr A has made representations on behalf of both him and Mrs A.

What happened

The details of the claim are well known to both parties, so I won't repeat them again here.

In February 2020, there was a leak to a flat roof at Mr and Mrs A's home which is over part of their kitchen area. Mr and Mrs A made a claim on their policy for the damage caused.

UKI approved the works to repair the roof in April 2021. Works started in January 2022 with completion in March 2022. Additional problems were discovered later in 2022 and further works carried out which were ultimately ineffective. UKI returned to the property in January 2023 to assess the situation and a decision was made to replace the flat roof in question. This – and related internal works – were completed by the end of March 2023. It was then Mr and Mrs A got in touch to let UKI know there was an issue with the sound when it rains. UKI ultimately agreed this was due to the different size roof being fitted without guttering – as the original roof didn't have any - and agreed to have guttering fitted. This was done by the end of May 2023.

Throughout the claim, Mr A raised complaints with UKI, and it issued five final response letters (FRLs) in total, paying Mr and Mrs A compensation of £1,450 for the distress and inconvenience caused by its handling of the claim. The FRLs were dated 2 December 2021, 29 March 2022, 24 October 2022, 18 November 2022 and 27 April 2023 (with a follow up to the April FRL using the same complaint reference dated 19 May 2023).

Mr and Mrs A weren't happy and brought their complaint to this Service for an independent review. They felt the amount of £22,695 would be reasonable recompense for the failings of UKI. Across the complaints this Service can consider (being all FRLs aside from the first two), UKI paid Mr and Mrs A compensation of £550. On review, the Investigator thought UKI should increase this to a total of £1,500. An anonymised extract from the Investigators most recent view is set out below.

'As explained previously to Mr A, I've only been able to consider the complaints he raised to UKI that were answered in their final response letters (FRL's) of October and November 2022 and April and May 2023. Having looked through the correspondence where Mr A raises these complaints with UKI and comparing them to the subsequent FRL's and/or responses; I was disappointed to see a large number of complaint points ignored or not answered.

It's been clear to me from looking at this complaint that there has been a trend of Mr A

raising questions, complaint points and/or requests and them not being answered by UKI which I think they can agree is poor service.

I've split my findings into two sections below for ease, the repairs themselves and the service provided. And whilst I haven't explicitly set out each of Mr A's 32 complaint points one by one, I want to reassure him that I've considered all of them and have, in my view, provided an answer to them all.

Under ICOBS 8.1 UKI must: (1) handle claims promptly and fairly; (2) provide reasonable guidance to help a policyholder make a claim and appropriate information on its progress; and (3) settle claims promptly once settlement terms are agreed. For the reasons I've explained below, I find that UKI haven't adhered to this.

Repairs

Mr A made UKI aware in September 2022 that his roof was leaking and that it needed repairing again (having already been repaired by UKI previously). This was repaired in November 2022 to, what later turned out to be, a poor standard. The roofers also left a mess on his patio which, according to the site report carried out on 18 January 2023, was still there then.

Following this repair Mr A contacted UKI in January 2023 to explain that his roof was leaking again, and that the November repair had failed. He also made them aware that his daughter had slipped on water that had leaked from the ceiling. This will have understandably been very upsetting to Mr A as a parent and whilst his daughter slipping is ultimately an accident, it's the failed repairs that have led to this event occurring - which UKI need to take responsibility for. Mr A also explained that he had needed to rearrange his kitchen to stop mould from dripping from the ceiling into food. There will always be a level of general inconvenience when making a claim, especially one such as this, and rearranging a kitchen can be considered as part of this however, had the repairs been completed to a good enough standard originally, mould dripping into food could have been avoided.

A site visit was completed on 18 January 2023 with the subsequent report stating the whole roof would need to be replaced. Mr A has explained he was told work would start in around three weeks time but this was delayed. In the meantime, he had a blue tarpaulin on his roof, weighed down by different objects including plant pots. I've looked at what happened here after the site visit and can see that UKI were actively trying to get this work booked in and were chasing their contractor. Whilst I don't necessarily think UKI did anything wrong here or caused any unnecessary delay, I can see they didn't let Mr A know what was happening and so I can see why Mr A was frustrated at the works not starting and having to chase, especially given (as I've mentioned previously), a lack of communication was a running theme throughout the claim. As I've mentioned above, there will always be a level of general inconvenience with a claim such as this and whilst I appreciate the blue tarpaulin and plant pots will have been an eyesore, I can understand why they were there – trying to prevent even further damage to the interior of the house.

The final repair works were completed in late February 2023. Mr A has explained that carpenters who were working on his roof at the time were going to leave his roof uninsulated until he stopped them and if he hadn't, he would now have an uninsulated roof. Also that a decorator didn't have full knowledge of what needed painting or what colour. Whilst UKI didn't instruct these exact tradesmen, they did contract out the work and so ultimately have to take responsibility for any poor service provided. Whilst these insulation and decorating issues were rectified and any detriment is purely hypothetical, it gives an idea as to the kind of service Mr A received throughout the claim.

After some further minor repair works to damage caused by the electrician were completed, Mr A let UKI know in March 2023 that water was causing noise when draining off of the new roof. This ultimately turned out to be because the new roof had been built to a different size than the old roof and so now required guttering. UKI had to sign the installation of guttering off internally as the roof had not had guttering before, which I think is fair, however this took around a further two months to have the works completed.

UKI have accepted that the repairs to Mr A's roof took longer than they should have done and were completed to a poor standard previously. I agree with this and feel that there were multiple failings relating to the repairs of the roof and I find that UKI did not provide the level of service a customer could have reasonably expected to receive.

Service

Throughout this claim there have been multiple instances where it's clear Mr A has been provided with poor customer service. I've seen in December 2022 UKI say to Mr A that this claim will be 'actively managed and reviewed at claims level'. Having looked through the evidence that we hold I believe it's clear that this didn't happen. I say this because after this there continued to be a lack of transparency, updates provided or, in some cases, care given to Mr A and his family.

I haven't listed each separate occasion of poor service provided but have instead commented on a few that I think highlight the extent of the service received by Mr A. There were multiple occasions where appointments for contractors to arrive on site were cancelled without providing Mr A with any notice, for example those on 8 November 2022, 14 December 2022, 7 January 2023 and 12 May 2023. I appreciate that these appointments were, by and large, cancelled due to poor weather which UKI and its contractors cannot be blamed for. Safety, of course, must be a priority here. However Mr A raised this lack of notice as a complaint point on 10 November 2022, also implying then that this was not the first time it had happened, and so I would have expected UKI to make a concerted effort to not allow this to happen again, especially a further three times.

I can also see Mr A asked multiple times for any kind of timescales or SLA that UKI could provide for when works would be completed or for when contractors would be arriving on site. Two occasions specifically are 17 January 2023 and 4 February 2023. I appreciate that it could be very difficult to give an exact timescale when contracting out the work as there are variables such as the weather, but I can't see that either of these requests were ever even responded to.

Mr A also raised concerns about the service he was receiving from his claims handler, that emails were not being responded to and that he was having to chase for updates. UKI explained in correspondence that feedback would be passed on and that points raised in emails were being logged but I can't ever see there was a significant improvement in the service provided to show that this was the case.

I mentioned previously that I've found examples of Mr A raising concerns or questions to UKI and them not being responded to throughout this claim, and I've already put some examples of this above. Whilst I haven't commented on each and every time this has happened there are some further examples I feel show the level of service Mr A received.

Mr A asked UKI for copies of all correspondence between them both on 17 January 2023, 4 February 2023, 21 March 2023, 13 April 2023, 27 April 2023 (twice), 2 May 2023 and 12 May 2023. UKI explained they had raised a data request, in order to send this correspondence to Mr A, on 13 February 2023 and again on 2 May 2023. The other requests look to have been ignored and UKI ultimately told Mr A on 13 June 2023 that the Financial

Ombudsman Service had requested the file and that they won't be providing what he had requested. I think this is a particularly poor example of customer service provided.

Further, when Mr A let UKI know that his daughter had slipped and fallen on water that had been caused by the leak in his roof I can't ever see that UKI responded. Whilst it may not have accepted responsibility for this (which I think it should have done because it's liable for this), I think it would have been common courtesy to extend an apology and ask if she was okay. Mr A reiterated the accident that had happened a few weeks later and again, UKI did not respond.

Overall, as detailed somewhat above, I think the general customer service provided to Mr A has been particularly poor over the course of this claim. I can see there have been broken promises, regarding responses to emails, a lack of claims management and a very large number of complaint points not responded to. I think a large proportion of Mr A's frustration over the course of the claim has been directly caused by UKI either ignoring correspondence or not pro-actively providing updates on the claim. With this being said, whilst I empathise with Mr A and the frustration this will have undoubtedly caused him, I have seen a few emails he's sent to UKI where I think his tone hasn't been appropriate.

Having provided my further thoughts above, I'm still of the same opinion as I was previously that an additional £950 compensation is a fair award to resolve this complaint.'

Although it considered the award to be on the high side, UKI agreed to the Investigators recommendation.

In response to the Investigators view above, Mr A raised some things said by the Investigator he wanted to clarify, which the Investigator agreed with or explained the rationale. Mr A also made several points including, in summary, the following:

- UKI's excessive use of contractors and subcontractors had a significant impact here.
- Whether Mr A's tone is significant to the claim as it feels unfair for the Investigator to bring his frustration into it - which had built up since the claim had first been made - whilst refusing to look into the full extent of the complaint.
- This Service should consider the full extent of their complaint.

Previously Mr A also said the compensation awarded doesn't adequately reflect the distress and inconvenience suffered.

The Investigator communicated with Mr A about these points and explained why they didn't change his view. He also assured Mr A that, whilst he wasn't considering the first two FRLs, he'd awarded the compensation he did because he recognised the frustration and distress was greater as a result of what had come before.

This matter was passed to me for a decision. I issued a jurisdiction decision which explained why this Service doesn't have the power to consider the complaints responded to in the FRLs prior to October 2022. This decision, therefore, focuses on the FRLs we do have the jurisdiction to consider - 24 October 2022, 18 November 2022 and 27 April 2023 (with a follow up to the April FRL dated 19 May 2023).

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'm not going to respond to every single point made by the parties involved. No discourtesy is intended by this. Instead, I've focussed on what I think are the key issues here. Our rules allow me to do this, and it reflects the informal nature of our service as a free alternative to the courts. If there's something I've not mentioned, it isn't because I've ignored it. I've given careful consideration to all the submissions made before arriving at my decision and I'm satisfied I don't need to comment on every individual argument to be able to reach what I consider to be a fair outcome.

The key facts here aren't in dispute. UKI admits it got things wrong. The key issue I must decide is whether the compensation it has agreed to pay is fair and reasonable. To do this, it's important to distinguish between the distress and inconvenience Mr and Mrs A suffered because there was a leak and its consequences, which UKI isn't responsible for, with what UKI did or failed to do that might've added to that distress.

The Investigator set out his analysis of the situation, a significant part of which is set out above. I consider the Investigator set out matters clearly, usefully illustrating many of the ways in which UKI failed Mr and Mrs A. I agree with the Investigator's outcome for the same reasons. I therefore uphold this complaint and I'm satisfied UKI should compensate Mr and Mrs A for the impact of its failures in this matter. I make the following comments in addition.

It's clear UKI persistently allowed its service to fall below the standard a consumer is reasonably entitled to expect. I also think it's important to say it's my view UKI failed to take their concerns seriously or recognise the impact of its actions. I say this because, even after upholding complaints made by Mr and Mrs A and paying compensation to them, the same behaviours continued which led to further poor claims handling – poor service, inadequate communications, and delays.

That said, I must balance this by explaining awards made by this Service are designed to compensate consumers, not punish organisations. So, we look at the impact mistakes had on the consumer concerned. And our awards of compensation are intended to reflect this. Further, in assessing this, I'm looking at matters as a whole rather than, for example, making awards for each and every instance of poor claims handling.

UKI's failure to get matters right, despite paying compensation and making assurances, would've been even more exasperating for Mr and Mrs A. Although Mr and Mrs A's earlier complaints don't fall within the jurisdiction of this Service, I'm satisfied the frustration and distress Mr and Mrs A experienced was greater because of what had come before. This has, therefore, been taken into account in the compensation awarded in this matter.

I've noted the Investigator proposed a total compensation award of £1,500, meaning a further £950 should be paid by UKI. That is classed as a significant award and is, therefore, the type of award I make on occasions when a firm has caused substantial distress and inconvenience and is in line with awards made in similar situations.

Taking everything into account, I'm satisfied £1,500 compensation is a fair and reasonable way for UKI to resolve the parts of the complaint I can consider. As explained, this decision only considers the matters covered in the FRLs of 24 October 2022, 18 November 2022 and 27 April 2023 (and the follow up letter to the April FRL dated 19 May 2023).

I recognise Mr and Mrs A will be disappointed with this outcome overall as they're seeking compensation significantly above the award made. But my decision ends what we – in trying to resolve the dispute with UKI – can do for them.

Putting things right

U K Insurance Limited trading as Direct Line Home Insurance needs to pay Mr and Mrs A a further £950 (to bring the compensation to a total of £1,500) to put things right in the matters considered in this decision (that is, the FRLs from 24 October, 18 November 2022, 27 April and 19 May 2023).

It must pay the compensation within 28 days of the date on which we tell it Mr and Mrs A accept the final decision. If it pays later than this, it must also pay interest on the compensation from the date of my final decision to the date of payment at 8% a year simple.

*If U K Insurance Limited trading as Direct Line Home Insurance considers it's required by HM Revenue & Customs to take off income tax from that interest it should tell Mr and Mrs A how much it's taken off. It should also give them a certificate showing this if they ask for one, so they can reclaim the tax from HM Revenue & Customs if appropriate.

My final decision

I uphold Mr and Mrs A's complaint and require U K Insurance Limited trading as Direct Line Home Insurance to take the steps outlined above to put things right.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr A and Mrs A to accept or reject my decision before 4 April 2024.

Rebecca Ellis
Ombudsman