

The complaint

Ms M has complained about the way Hiscox Insurance Company Limited dealt with an escape of water claim she made under her home insurance policy which she jointly shares with Mr M.

As Ms M is the lead complainant in this case I'll refer to her in my decision.

What happened

Ms M made a claim to her insurer for water damage caused by a leaking lead pipe in their home which was discovered in July 2022.

Ms M complained about the way the claim was dealt with and the work carried out by appointed contractors of Hiscox. Ms M says further damage was caused by contractors during reinstatement works and by the drying process.

Ms M says her main complaint is that there is damage to the wallpaper in their hallway which she says Hiscox is responsible for and wants them to meet the reinstatement costs. Ms M says this damage was caused by excessive drying in the property. She says it will cost in the region of £4,000 to put the decoration right in the hallway.

Hiscox responded to Ms M's complaints on 25 October 2022, 28 June 2023 and 12 July 2023.

Ms M came to this service in August 2023 as she wanted to look at her complaints.

In July 2024 an Investigator issued the second of two views on the complaints. The Investigator said that the complaint about the wallpaper in the hallway was one we couldn't consider as it was outside of our jurisdiction.

In relation to the remaining complaints which Hiscox responded to in June and July 2023, he thought Hiscox had done enough to put things right. Hiscox upheld part of Ms M's complaints. It awarded £400 compensation for the distress and inconvenience caused by its failure at times during the claims process. And it said it would pay £1,040 towards other reinstatement works in the hallway.

In response, Ms M says she hasn't received the compensation of £400 from Hiscox, which our Investigator said he could ask it to now pay. Ms M says her complaint is about the wallpaper damage in the hallway and doesn't agree that we cannot consider this complaint. She says she didn't accept the response in October 2022, and continued to raise it with Hiscox which it responded to in June and July 2023.

Our Investigator explained that the reference to the wallpaper complaint in Hiscox's subsequent letters was to say it had been previously raised and their position remain unchanged. So his view was that we couldn't consider this complaint was correct – as Hiscox didn't give us consent to look at this complaint outside of the six month time limit given on 25 October 2022.

Ms M didn't agree and so the case has been passed to me to decide.

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.

This service can't consider every complaint that's referred to it. The complaint handling rules that regulate what we can and cannot consider are set by the Financial Conduct Authority (FCA) and are known as the Dispute Resolution Rules (DISP). For us to be able to consider Ms M's complaint we'd need to have the jurisdiction to do so – which means we'd need to be allowed to consider it under the DISP rules.

One of the rules that's set out under DISP 2.8 says:

“The Ombudsman cannot consider a complaint if the complainant refers it to the Financial Ombudsman Service: (1) more than six months after the date on which the respondent sent the complainant its final response...” unless: (3) in the view of the Ombudsman, the failure to comply with the time limits... was as a result of exceptional circumstances”.

Although the term “exceptional circumstances” isn't fully defined within the DISP rules, the example given refers to a customer being incapacitated. In short, the bar for determining circumstances as exceptional is set very high.

Because Hiscox responded to the complaint about the wallpaper damage in the hallway on 25 October 2022, and Ms M brought her complaint to us in August 2023, we can't consider it as it was brought more than six months after the date of Hiscox's final response letter. - unless I consider there were exceptional circumstances preventing Ms M from bringing her complaint to us within the required six-month timeframe.

Having reviewed the final response letter dated 25 October 2022, I am satisfied it meets the criteria for a 'final response' for the purpose of starting the six-month time limit. And so it follows that I cannot consider this part of Ms M's complaint as it was referred to us out of time. I haven't seen anything to consider there to have been exceptional circumstances which prevented Ms M from bringing her complaint to us within the required six month timeframe.

I can consider the complaints Hiscox provided a final response to in June and July 2023 as they were brought to us in time. While Hiscox makes reference to the hallway wallpaper complaint and a complaint about specialist advice and attendance to fix the lead pipe leak, it is only to say that it has previously considered these complaints and the outcome remains unchanged. This doesn't constitute a response to the complaints, so the six month timeframe doesn't begin again from here. So as not to ignore Ms M's response to the letter dated 25 October 2022, it has addressed these parts of her response by stating that it already replied to these complaints.

In relation to the remaining complaints, they were:

- Dehumidifiers were used for an extended period
- The Loss Adjuster (LA) stated the temporary lead pipe repair was permanent
- It was unfair to request the excess payment in light of the service received
- There was excessive dust - and storage wasn't adequately dealt with
- A contractor was prevented from returning to Ms M's home by Hiscox
- It poorly handled Ms M's claim for a damaged radiator
- There was other damage to the hallway (separate to the wallpaper) which hadn't been considered.

In response, Hiscox upheld some of Ms M's complaints. It said the dehumidifiers were required for the time they were used. While it couldn't comment on what was discussed between the LA and Ms M, it had sight of an email to Ms M from the LA confirming the

correct position – that any leak to the pipe was Ms M’s responsibility to arrange repair to prevent further leaks.

Hiscox said the excess was correctly owed as a claim had been made. It was satisfied that the removal and storage of Ms M’s items had been done correctly – but pointed out that it was reasonable to expect some dust and disruption. It acknowledged that cleaning costs Ms M had submitted for had been included in her claim for reimbursement. It agreed to the replacement costs of a radiator that had been removed under the strip out works. And it accepted that it caused delays in communicating with Ms M on this issue.

Hiscox said it was agreed that a senior technician would visit Ms M’s home in light of her concerns – and so it said it didn’t prevent a revisit by the original contractor.

Hiscox accepted that there was some damage caused to the hallway including lobby doors and woodwork (separate to the wallpaper) during reinstatement works. Hiscox agreed to pay a cash settlement of £1,040 to resolve this. It received a quote for these works totalling £1,300, but Hiscox didn’t agree all of the works were required. As I haven’t seen any evidence to support the difference in the quote, I think Hiscox has acted fairly here.

Hiscox apologised to Ms M for the lack of professionalism in email exchanges between the parties dealing with the claim. For the failings overall, Hiscox said it would pay Ms M £400 into her bank account in the next 3-5 days.

I understand that having to deal with a claim, particularly a claim involving water damage, will inevitably mean considerable disruption and upheaval – even where there were no errors in the handling of the claim. Having reviewed the information provided by both parties, I find Hiscox’s responses to Ms M’s complaints to be fair and reasonable. It therefore follows that I think the award of £400 compensation, along with the agreed payment for rectification repairs is enough to put things right.

Ms M says the £400 compensation isn’t even 10% of what it will cost to redecorate the hallway. But as the Investigator explained, the award is not in relation to that complaint – as that is a complaint we cannot consider.

My final decision

I’m sorry to disappoint Ms M. But for the reasons I’ve given above, my final decision is that I think Hiscox Insurance Company Limited’s award of £400 compensation and cash settlement of £1,040 is enough to resolve the complaint.

If it hasn’t already paid it, Hiscox Insurance Company Limited should pay the compensation within 28 days of the date on which we tell it Ms M accepts my 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 a simple rate of 8% a year.

I cannot consider Ms M’s complaint which Hiscox responded to on 25 October 2022 as it was brought to us out of time.

Under the rules of the Financial Ombudsman Service, I’m required to ask Ms M and Mr M to accept or reject my decision before 10 September 2024.

Geraldine Newbold
Ombudsman