

complaint

Mr C complains Legal & General Insurance Limited took too long to settle his home insurance claim causing himself and his family considerable distress and inconvenience.

background

Mr C has a home insurance policy underwritten by Legal & General. He lives in a house with his wife and two young children.

In November 2016 Mr C says he noticed an odd smell in the utility room and discolouration to its walls. He investigated and a couple of months later discovered a pipe under the utility room floor had been leaking. He arranged for the leak to be fixed and made a claim on his home insurance policy after realising the extent of the damage the leak had caused. Legal & General agreed that the damage was covered under Mr C's policy and arranged for the damage to be made good.

Mr C wasn't happy with the contractors that Legal & General used – he says that they didn't scope out the works properly at the beginning resulting in delays, that communication was poor throughout and that the repairs took almost nine months to complete. Mr C was then unhappy with the repairs done. He complained.

Legal & General investigated Mr C's complaint and agreed that communication had been poor throughout the repair, that there had been delays and that the repairs done weren't good enough. So it offered Mr C £100 in compensation and got another contractor to re-do the majority of the repairs. Those repairs were completed in January 2018. In the meantime Mr C complained to us as he wasn't happy with the compensation Legal & General had offered.

One of our investigators looked into Mr C's complaint and agreed that it hadn't been handled as well as it could have been and that there were avoidable delays. In particular, our investigator thought Legal & General's original contractors should have done a better job of the repair work. They hadn't done so, meaning Mr C had waited an additional two months before the repairs were complete – a delay that was avoidable. Our investigator recommended that Legal & General increase its offer of compensation to £500 because of the avoidable delays.

Mr C didn't agree with our investigator's recommendation. He said our investigator had focussed on the poor work of Legal & General's original contractors rather than the impact on his family of living in "a building site" throughout the summer and having to constantly chase to get work done. Legal & General said that the majority of the delays weren't down to its contractors and didn't agree with our investigator's recommendations either. Both asked for an ombudsman to look into this complaint. So that's what I've done.

my findings

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

Mr C first discovered that a pipe had burst under the utility room floor in January 2017. He arranged for the pipe to be repaired and in March 2017 made a claim on his home insurance policy. Legal & General sent out a surveyor who produced a report in April 2017. The report

suggested that the property would need to be dried out before any repair works were done given the likely volume and duration of the water damage. So that's what Legal & General arranged – they got a specialist company in to dry out the damaged area.

The property wasn't dried out until July 2017, so repair work couldn't start until then. Unfortunately this was also when Mr C was due to get married – so he was understandably unhappy at how long the whole process was taking. Having looked at the file, it's clear that Legal & General's contractors weren't communicating well with Mr C at this stage, and this made matters worse for Mr C. He didn't know when the works were going to start and what, for example, was going to happen with his furniture whilst the repairs were done – they needed to go into storage. Mr C then wanted the repairs to wait until after his wedding – something he wasn't happy about as having the repairs outstanding disrupted the wedding – and the repairs had to also wait for some private work Mr C wanted done.

In August and September 2017 I can see that Mr C was regularly asking for updates and for a start date. Again the communication wasn't great. Then, at the end of September, Legal & General's contractors discovered rotten timbers and woodworm when they took the flooring up. Mr C was very unhappy about this – it meant a delay to the repairs whilst the woodworm (which wasn't covered under Mr C's policy) was dealt with.

Mr C told Legal & General that the woodworm would have been discovered much sooner had its contractors scoped out the work properly at the beginning as they would have lifted up the floor much sooner in order to do so. I can understand why Mr C said this – from the beginning he didn't think the contractors had properly scoped out the work – and as someone who manages projects he found the lack of planning particularly frustrating. But I don't agree with Mr C on this point. Legal & General has said that it's rare to come across rotten timbers, and that the approach is normally to dry a property out. That's what the company that dried the property out – who specialise in that type of work – recommended too. So I don't think Legal & General went wrong not lifting the floors sooner than it did. That doesn't mean the development was any less frustrating for Mr C – with the summer he'd been through it was extremely unwelcome.

I agree with our investigator that the repair work the contractors subsequently did was sub-standard. I don't, however, think anyone – including Legal & General – now disputes that. That meant the work had to be done again – adding an additional two months to what was already a difficult repair for Mr C and his family. Legal & General arranged for different contractors to come in and re-do the repairs – and rightly so. Mr C has told us that he's happy with the repair works that have now been done. So I have to decide what impact the delays – including having to live in what was in effect “a building site” throughout the summer – has had on Mr C and to what extent the impact is the responsibility of Legal & General.

Having done so, whilst I agree that some of the delays weren't down to Legal & General, I do think that an award of £500 is a little on the light side. Mr C has a young family, and already had a lot to deal with over the summer of 2017 (including one of his children coming out of hospital). He had to spend far more time than he should have done having to chase Legal & General's contractors – and poor communication meant he got increasingly frustrated. So I've told both parties that I think an award of £750 is more appropriate. I've taken into account the fact that the repairs had to be re-done because of the poor quality of the original work when coming to this amount. Both parties have commented on the award.

my final decision

My final decision is that I require Legal & General Insurance Limited to pay Mr C £750 in full and final settlement of his complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr C to accept or reject my decision before 2 December 2018.

Nicolas Atkinson
ombudsman