

The complaint

Mrs M complains about UK Insurance Limited's (UKI) misdiagnosis, following a claim under her home emergency policy.

What happened

Mrs M had a leak at her home. She contacted UKI and made a claim. It sent an engineer to repair the leak. He advised that the leak came from a water softener and disconnected it. UKI also advised Mrs M to get a further independent engineer, as the repair it had carried out was only temporary.

Mrs M said that following the engineer visit she went on holiday, so didn't have time to have it looked at. When she returned around six weeks later, she found that there was a leak in her home, which had caused further damage. She contacted UKI and complained, as she said that the original leak hadn't come from the water softener at all. And the UKI engineer had misdiagnosed the origin of the leak, which consequently meant that the damage that was caused to her property, was UKI's fault.

UKI said that Mrs M asked for compensation for the stress and the misdiagnosis, of a minimum of £500. She also wasn't willing to pay the excess on the claim of £450.

In its final response, UKI said that each claim carried an excess charge of £450, and as Mrs M had made a claim which it had accepted, the excess charge was payable.

It accepted that there was the misdiagnosis of the leak and for this it offered and paid Mrs M £150 compensation, for the trouble and upset caused. Mrs M was dissatisfied with the outcome and as she had been given her referral rights, referred her complaint to our service.

One of our investigators considered the complaint and didn't think it should be upheld. He said that UKI had been correct to request the excess payment. He also said that UKI had provided evidence that there had been damage caused by the leak already. So, even if the leak had been diagnosed correctly, the excess would be payable.

He also said Mrs M didn't have the leak checked, as she had been advised to, for six weeks. So, he wasn't persuaded that all the damage that had now been caused to Mrs M's property, was solely due to the misdiagnosis. Consequently, he said that the offer of £150 compensation was fair.

UKI accepted the view, Mrs M did not. She said that as a result of the leak significant damage was caused to her home that required extensive drying out, as well as replacement of flooring. She also said that this had caused her stress, due to the state of her home, but also due to her age, and her health issues. So, she asked for a decision from an ombudsman.

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.

Having done so, I won't uphold this complaint, for much the same reasons as our investigator. I understand that this might be a disappointment to Mrs M, but I hope my findings go some way in explaining why I've reached this decision and why I think it is fair.

Both parties agree that there had been a misdiagnosis of the leak. And Mrs M has now accepted that the excess of £450 is payable. So, the issue of this complaint is whether the compensation paid by UKI, of £150, for the trouble and upset caused, ought to be increased. Mrs M would like a minimum of £500 compensation, given the stress the event has had on her. So, I've had a look into this.

UKI said that Mrs M initially made a claim and it advised Mrs M to get someone to have a look at the leak, given that the disconnection of the water softener was effectively a temporary repair. It also provided evidence that Mrs M had informed them that there was damage to her home as a result of the leak, prior to its engineer attending. And that for around six weeks after its engineer attended, Mrs M failed to contact them to advise of the ongoing leak. Nor did Mrs M answer a follow-up call from UKI after its engineer had attended.

Mrs M said that she had gone on holiday and as UKI had carried out the repair, she didn't have enough time to contact another engineer. She said that when she returned, she discovered damage to her property caused by a leak. She also said that as the water softener had been disconnected and as she explained, removed from her home, this could not have been the cause of the leak.

I have read the policy terms and conditions and it states: *'when you find out about anything you need to claim for, or may need to claim for, you must tell us as soon as possible.'* Mrs M said that she didn't report the ongoing leak until around six weeks after UKI's engineer attended. Whilst I appreciate that she had gone on holiday, she also didn't follow the advice of UKI by getting another engineer to look at it, before she went abroad.

Mrs M said that it was clear that the leak wasn't from the water softener as it had been disconnected and she had it removed from her home. But there is no dispute that there had been a misdiagnosis, as UKI accept this was done. The issue is the amount of damage caused. And I think that as Mrs M hadn't got someone else in, as advised by UKI and that there had already been damage to her property prior to UKI's engineer attending, I'm satisfied that the damage caused by the misdiagnosis can't entirely be attributed to UKI.

I've next considered whether the £150 compensation that UKI paid for the trouble and upset caused was fair. And I think it was and I'll explain why.

UKI accepted that there was a misdiagnosis as it said that it was clear that the leak wasn't from the water softener. When we look at awards for compensation, we look at the impact of the error made by the business on the consumer.

In this complaint, I find that the impact was more than just minimal and that it caused some distress and inconvenience. As I have already said, I'm not satisfied that the misdiagnosis was entirely the fault of UKI. And having considered our guidelines on compensation, the £150 offered and paid, falls within our recommended compensation awards.

Overall, whilst I understand how disappointed Mrs M will be, I think that UKI was fair and reasonable in its offer of compensation. And I think that the damage caused by the misdiagnosis isn't entirely the fault of UKI. Consequently, I can't reasonably ask UKI to do anything further to resolve this complaint.

My final decision

For the reasons given, my final decision is that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs M to accept or reject my decision before 24 August 2023.

Ayisha Savage
Ombudsman