

## **The complaint**

A company, which I'll refer to as L, complains about the time taken for The National Farmers' Union Mutual Insurance Society Limited ("NFU"), to accept claims made on its commercial property insurance policy for water ingress.

Mrs A, who is a director of L, brings the complaint on L's behalf.

## **What happened**

A separate complaint has considered some of the points L has complained about. They are:

- NFU declined a business interruption claim for losses related to the Covid-19 pandemic
- The settlement value NFU offered for business interruption related to the water ingress claims
- The excesses applicable to the water ingress claims

As these points have already been considered, I won't reconsider or comment on them here. My consideration is limited to the remaining complaint point – the time taken for NFU to accept the water ingress claims.

In summary, L got in touch with NFU in October 2019 after noticing water had entered the property. NFU appointed loss adjusters to establish the cause of the problem – and whether it was covered by the policy. The first three loss adjuster visits were described as 'inconclusive' by NFU. After a fourth visit, and evidence provided by L, NFU accepted the damage had been caused by storm – and was covered by the policy.

L thought it had taken too long to reach this point and the claim hadn't been handled well.

NFU didn't think there had been any delays, noting the difficulties associated with the Covid-19 pandemic during some of that time. But it agreed communication with L could have been better and apologised.

Our investigator thought the complaint should be upheld. He didn't think NFU had been responsible for the entire duration of the claim. But he thought NFU should have been able to establish the cause of damage and accept the claim sooner. Had NFU accepted the claim sooner, he thought the inconvenience to L would have been reduced. To put that right, he asked NFU to pay £200 compensation.

NFU disagreed. It didn't think there was anything it could have done to progress the claim more promptly. So the complaint has been passed to me.

## **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.

At the time NFU answered the complaint in July 2020, it had already accepted the claim. So the issue for me to decide is whether NFU handled the claim fairly up to that point and, if it didn't, what it should do to put that right.

The history of the claim, including the various inspections, isn't in dispute. So I won't repeat it all again here.

In summary, after L provided quotes for the work, NFU arranged for the damage to be inspected. In principle that's a reasonable thing to do and is common practice when considering this kind of claim. But three visits and several months later, NFU hadn't established the cause of damage – or whether it was covered by the policy.

After a fourth visit, it accepted the damage was covered and the quotes provided by L were reasonable. In part this decision was based on evidence provided by an employee of L, who inspected the roof space internally. NFU says it was also because the damage had worsened, which made it more evident it had been caused by storm.

I don't think NFU caused significant delays. Some of the timescale was beyond its control. Most notably the initial time it took L to provide quotes and a gap in proceedings brought about by the Covid-19 pandemic. Whilst NFU is entitled to investigate the damage and be satisfied it was caused by storm before accepting the claim, it's unusual in my experience to require four separate visits to do that.

I understand NFU considers it was unable to identify storm damage prior to the fourth visit. It says reports weren't produced at the visits. That means it's difficult for NFU to show now why they were all necessary. It's also unclear what exactly was different at the fourth visit which allowed NFU to accept the claim. I understand the photos provided by L helped, which calls into question why NFU didn't take the same steps earlier.

I recognise it's not always possible to fully establish the damage in a single visit, particularly in a larger property such as L's. But even if a second visit was needed to inspect the high level damage more closely – either by putting up scaffolding or using a drone – that would still have reduced the amount of visits and corresponding inconvenience and delay to L.

Overall I'm satisfied NFU was responsible for some delays as a result of the number of visits it took before accepting the claim. And NFU accepted in its complaint response that its communication should have been better during the claim.

For these reasons, I'm persuaded L was inconvenienced above and beyond what it should have been during the claim. Whilst L, as a limited company, can't suffer distress, it can be inconvenienced, and I think it's fair for NFU to compensate L for this. I'm satisfied £200 is reasonable in the circumstances.

If L has any concern about how the claim progressed after the complaint response in July 2020, it's entitled to make a separate complaint about that.

### **My final decision**

I uphold this complaint.

I require The National Farmers' Union Mutual Insurance Society Limited to pay L £200.

Under the rules of the Financial Ombudsman Service, I'm required to ask L to accept or

reject my decision before 14 July 2022.

James Neville  
**Ombudsman**