

The complaint

Mr C has complained about how Fairmead Insurance Limited (Fairmead) dealt with a claim under a buildings insurance policy.

References to Fairmead include agents acting on its behalf.

What happened

Mr C contacted Fairmead to make a claim for storm damage. Fairmead asked Mr C to provide a surveyor's report to show the cause of damage, photos of the damage and repair estimates. Mr C provided evidence to support his claim about four months later.

Fairmead appointed a loss adjuster, who reviewed the claim and didn't identify an insured peril, so said there wasn't any cover. Mr C was asked to provide further evidence if he still thought there was an insured peril. Mr C had problems finding a surveyor but, about six months later, submitted a surveyor's report, which said there was evidence of storm damage. Fairmead appointed a surveyor. Mr C chased on several occasions to get updates on the claim and for it to progress. He also told Fairmead the ceiling had collapsed in the living room. By the time Mr C complained to Fairmead, its surveyor was in discussion with contractors about the scope of repairs.

When Fairmead replied to Mr C's complaint, it said there were delays internally about receiving instructions for the claim. It offered £100 compensation.

Mr C complained to this service. Our investigator upheld the complaint. He said some delays were due to the time it took Mr C to provide the reports. However, once these were received it still took Fairmead a further eight months to accept the claim and this included some avoidable delays. He also said Mr C was living in some distressing conditions, which Fairmead should have been aware of, so it should have offered alternative accommodation during that time. Fairmead should also have paid invoices more promptly. However, as there wasn't contents cover in place, he didn't think Fairmead needed to cover the cost of furniture that had been damaged. He said Fairmead should pay £750 compensation, which included the £100 it had already offered.

As Mr C didn't agree, the complaint was referred 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.

Having done so, I uphold this complaint. I will explain why.

When Mr C first contacted Fairmead to make a claim, he was asked to provide evidence to show the damage was covered by the policy. Mr C provided evidence four months later. Shortly after the documents were received, Fairmead arranged for a survey to take place to assess the claim further. Following this, the surveyor concluded that there wasn't evidence to show the damage was the result of a one-off storm event. Having looked at the surveyor's findings, I think that was reasonable.

The surveyor also suggested to Fairmead that it might be possible to cover some of the internal damage if Mr C had accidental damage cover. However, the policy didn't include accidental damage cover. Mr C was told that if he could provide evidence to show the damage was the result of a peril insured under the policy, Fairmead would consider the claim further. About six months later, Mr C provided a report that said the damage was likely to be the result of a storm. So, from what I've seen, I don't think Fairmead was responsible for delays up until this point.

I'm aware Mr C has said Fairmead could have done more to help him with his claim. It's for a policyholder to show a claim has been caused by an insured event. When Mr C first made the claim, I think it was reasonable for Fairmead to have asked Mr C to provide further evidence. When this was provided, Fairmead arranged for a survey to take place, but this didn't find evidence of an insured event. So long as Fairmead carried out an appropriate investigation at that time, which in my view it did, it wasn't required to keep investigating the source of the damage. Mr C was told he could provide a report about the cause of the damage if he wanted Fairmead to consider this. I think that was reasonable.

Following receipt of Mr C's report, Fairmead considered this. I'm aware Fairmead then took eight months to accept the claim. Looking at what happened, I can see that it carried out a further survey as a result of the report. However, there then seemed to be a number of avoidable delays, including having to chase internally on next steps for progressing the claim. By the time Fairmead replied to Mr C's complaint, it had started discussions with contractors and was starting to draw up a scope of works. So, I think Fairmead could have accepted the claim much earlier and progressed the claim sooner than it did.

Mr C has also said the delays meant his contents and furniture were damaged. Mr C didn't have contents cover under the policy, so Fairmead said this damage wasn't covered as part of the claim. But, I've thought about whether Fairmead should cover the damage due to the delays in the claim. Mr C has said the damage started from when he first contacted Fairmead to make a claim and over the months that followed. I've already said that I don't think Fairmead was responsible for the delays during that period, so I also don't think it was responsible for any damage to the contents that happened during that time.

Mr C said the damage then got worse in the months before the claim was accepted. But, I'm not persuaded this meant Fairmead needed to pay for damage to the contents. I also note that some of the internal damage, such as the wooden flooring, would normally be dealt with as part of the buildings. Fairmead has also told this service it will consider the wooden flooring as part of the claim, so I won't comment on this further.

So, I've thought about compensation. I've seen videos and photos of the condition of the property. I should note it's my understanding that some of the videos were taken after the

date of Fairmead's response to the complaint and I'm only looking at the period up until the date of that response. However, I can see that Mr C was living in very difficult conditions and I'm aware he used buckets and tarpaulins to try and prevent water from damaging his home.

I've already said I think there were avoidable delays during the claim. Mr C had to regularly chase Fairmead in order to get updates and for the claim to progress, which I think will have caused him distress. I think Fairmead also could have discussed Mr C's living conditions with him sooner than it did, including the option of alternative accommodation. Fairmead should have been aware of the condition of the property earlier than it seemed to be, as Mr C provided them with updates about this. So, I think Fairmead could have done more earlier than it did to respond to Mr C's difficult living circumstances.

Mr C also sent Fairmead invoices for payment, but he had to chase to get these paid. Some of the invoices were submitted after the date of this complaint, but I can see that Fairmead told this service that due to an oversight it didn't pay the first invoice as promptly as it should have. I think this will also have added to Mr C's concerns about the handling of the claim and caused him further inconvenience.

Having thought about this carefully, I think Fairmead should pay a total of £750 compensation, which includes the £100 it already offered, as I think this more fairly reflects the distress and inconvenience caused to Mr C due to the issues with the handling of this claim, including the delays caused by Fairmead and it not following up on alternative accommodation as early it could have done.

Putting things right

Fairmead should pay Mr C £750 compensation.

My final decision

For the reasons I have given, it is my final decision that I uphold this complaint. I require Fairmead Insurance Limited to pay Mr C £750 compensation, which includes the £100 it previously offered.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr C to accept or reject my decision before 13 June 2022.

Louise O'Sullivan
Ombudsman