

## **The complaint**

Miss G and Mr W are unhappy with the service they received from UK Insurance Limited (UKI) following their home insurance claim.

## **What happened**

On 31 December 2020 a car collided with the front of Miss G and Mr W's house causing extensive damage. Emergency services attended and the matter was reported to UKI. UKI instructed loss adjusters to deal with the claim and structural engineers to assess the damage and appoint contractors to carry out the repairs.

The loss adjusters and structural engineers attended to view the house on 4 January 2021. A schedule of works was prepared and UKI accepted liability for the claim. UKI instructed an accommodation agency to assist Miss G and Mr W find alternative accommodation whilst the repairs were carried out, but they sourced their own accommodation and moved in on 16 January 2021.

The structural engineers put the work out to tender and a start date of 1 March 2021 was agreed. The work was expected to take six weeks. Mr W was asked to extend the alternative accommodation to the middle of April 2021.

The start date was delayed, and work began on 8 March 2021. Miss G and Mr W were informed that they should now extend their accommodation until the end of April to allow the work to complete. Miss G and Mr W asked the accommodation agency for help but said they didn't receive any assistance. They searched and found suitable properties themselves.

In April Miss G and Mr W contacted UKI as they were concerned that the work would not be complete before they returned home. They were assured that the work would be done but when they returned to the house on 30 April 2021 the contractors were still there. Miss G and Mr W were offered hotel accommodation which they said was unsuitable. They found their own temporary accommodation and moved back into their house on 5 May 2021.

Miss G and Mr W complained to UKI about the service they had received. They were upset that the incident hadn't initially been treated as an emergency and that no-one came to inspect the property until 4 January 2021. They complained that the work hadn't started or finished on time and didn't feel their concerns about the progress of the work were listened to. They said they were left to organise their own alternative accommodation without any help and spent longer out of their home than was necessary.

UKI didn't issue a formal response to the complaint as they were still investigating the matter when it was referred to this service. However, they said that they would have partially upheld the complaint and offered £500-600 compensation for service issues.

Miss G and Mr W didn't accept UKI's offer and asked us to investigate. Our investigator thought that the complaint should be upheld and that UKI's offer of £600 compensation was reasonable. She thought that there had been some avoidable delays and miscommunication – and that Miss G and Mr W hadn't been offered enough support finding alternative

accommodation. Miss G and Mr W didn't think the compensation was sufficient and asked for the matter to be referred to 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.

UKI accept that their service fell short, so the issue for me to consider is the appropriate level of compensation. Unfortunately, damage to someone's home and temporary rehousing will always cause distress and inconvenience - this is not the fault of UKI. However, if UKI's mistakes, or that of third parties it instructed, caused additional distress, I can look at the impact of this.

UKI have offered compensation of £500-600 for service issues although have not said what these issues are. I have therefore looked at the issues raised by Miss G and Mr W to consider whether UKI treated them fairly. I want to reassure all parties that I've considered everything sent to us even if I've not specifically referred to it in this decision.

Having reviewed everything I think that £600 compensation for distress and inconvenience is fair. I know this will come as a disappointment to Miss G and Mr W, but I've explained my reasoning below.

#### *Initial call*

When Miss G and Mr W first contacted UKI they were upset to be informed that the matter was not considered an emergency and were asked to call back in office hours. Bearing in mind that the police, fire brigade, gas engineer, and structural engineers were all in attendance, I think it would have been reasonable for UKI to treat it as an emergency. The incident must have been very traumatic for Miss G and Mr W and I would have expected UKI to have offered support and guidance from the first phone call.

#### *Delay in first attendance at property*

Miss G and Mr W were disappointed that the loss adjuster and structural engineer could not attend until 4 January 2021. I do understand that this must have seemed like a long wait but bearing in mind the incident happened on New Year's Eve, followed by a bank holiday and weekend, I can't say that this was unreasonable. The property had been made safe by the emergency services and the family were able to remain in the property.

#### *Alternative accommodation*

Miss G and Mr W say they were offered little or no help finding alternative accommodation. UKI have provided their notes from the claim and I can see that they offered to relocate the family to a hotel. Miss G and Mr W didn't think this was practical as they had a young child and a cat, and their property was not secure. They therefore decided to remain in their house until more suitable accommodation was found.

I've seen from the notes that UKI instructed the accommodation agency on 8 January 2021 to help find suitable properties. I've listened to recordings of two voicemail messages left for Mr W on 8 and 13 January 2021 asking him to contact them. They also emailed on 15 January 2021. I appreciate that Mr W says he only received one missed call from the agency, so I'm not sure what happened but I'm satisfied that the agency took reasonable steps to make contact with him.

The family moved into alternative accommodation on 16 January 2021 which they sourced themselves. Miss G and Mr W say they felt they were misinformed about the budget for the alternative accommodation. Looking at UKI's notes, I can see that the budget was changed but this appears to be because Miss G and Mr W weren't able to find accommodation within the initial budget. I think it's reasonable for UKI to set a budget - and fair for them to then extend it when necessary.

After the start date for the work was put back, Miss G and Mr W were asked to extend their accommodation. UKI's notes show that the loss adjuster made some enquiries regarding suitable properties and informed Miss G of this. Miss G and Mr W sent an email to the accommodation agency asking for assistance but heard nothing from them. I can see that UKI contacted the accommodation agency on 18 March 2021 but were advised that they couldn't assist. I can't see that UKI did any more to help, and I think they could have done. Miss G had to book three separate accommodations as she couldn't find one single one that could take the family to the end of April. Moving so many times in such a short space of time would have been very disruptive for Miss G and Mr W, and I accept that this caused them distress and inconvenience. I can't say whether UKI would have been able to find one single suitable accommodation for them, but I don't think they did enough to help.

On the day Miss G and Mr W were due to move back into their house, they found it wasn't ready. This must have been very stressful for them as they had to find somewhere immediately for the family to stay. I can see from records that the loss adjuster contacted the accommodation agency early on 30 April 2021 and then rang back for an update. The agency offered Miss G and Mr W hotel accommodation, but by this time they had found their own accommodation. I can also see that the loss adjuster contacted Mr W to advise that hotel accommodation would be found but Mr W told them this would not be suitable. Whilst I appreciate that hotel accommodation would clearly not have been ideal, I think UKI did what could be expected of them to source emergency accommodation at short notice.

### *Delay*

Tenders for the work should have been received by 29 January 2021. However, they weren't received until 4 February 2021. This resulted in a delay which I think could have been avoided if the loss adjuster had chased the tenders sooner.

There was clearly a delay in the work starting on 1 March 2021. The contractors say this was because they hadn't received confirmation that the gas meter had been removed. However, I've seen an email from Mr W to all parties, including the contractors, confirming removal of the meter so I think that UKI are responsible for the work not commencing on time. Miss G and Mr W weren't informed of the delayed start and I think they should have been.

The work commenced on 8 March 2021. The structural engineers said that this should not delay the completion date of 12 April 2021, although I note that a week later Miss G and Mr W were advised to extend their accommodation until the end of April. As this occurred so soon after the start of the work, I think this was likely to have been caused by the delayed start.

UKI say that some of the delay to the work was caused by Miss G and Mr W raising queries about the hallway floor. However, I've seen notes of the communication between Mr W and the structural engineer and Mr W makes it clear that he does not want to do anything to delay the work. The structural engineers also confirm that they will not pause the works and so I'm not satisfied that Mr W's enquiries were the cause of any delay. I also note that the deadline for work to complete was extended before Mr W raised his queries.

In April 2021 Miss G and Mr W raised concerns with UKI that the work would not be

completed on time. UKI didn't act on these concerns immediately and I think it would have been reasonable for them to do so. This caused considerable distress for the family who had to move into other accommodation on the day they were due to move back home.

#### *Time off work*

Miss G and Mr W say they had to take a number of days off work during the claim. This was particularly difficult for Mr W as he had just started a new job. Our service doesn't normally make specific awards for holiday time that has been lost. This is because we would expect customers to have to use their own time in dealing with and progressing their claim.

Meetings with loss adjusters, structural engineers and contractors are usually unavoidable parts of the claim process. I have, however, taken into account that Miss G and Mr W spent a considerable amount of time sourcing their own accommodation and moving home - some of which could have been avoided had UKI not made mistakes.

For the reasons above I'm satisfied that UKI's service fell short and that the family were caused additional distress and inconvenience on top of the anguish they clearly suffered from the incident itself. I appreciate that Miss G and Mr W don't feel UKI's offer of compensation was enough to reflect what happened, but bearing all the above in mind I think that £600 compensation is fair.

#### **My final decision**

My final decision is that I uphold this complaint and require UK Insurance Limited to pay Miss G and Mr W £600 compensation for distress and inconvenience.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss G and Mr W to accept or reject my decision before 20 October 2022.

Elizabeth Middleton  
**Ombudsman**