

## **The complaint**

Mr and Mrs R are unhappy that esure Insurance Limited (esure) only settled part of their claim and delayed letting them know.

Mr and Mrs R had home insurance with esure in joint names but, for ease of reading, I'll refer only to Mr R throughout my decision.

## **What happened**

In August 2021, Mr R made a claim under his home insurance for an escape of water from his en-suite bathroom. esure appointed a surveyor to assess the damage.

In November, Mr R contacted esure because he'd heard nothing since the surveyor's visit. The surveyor then contacted him to say esure would only settle part of the claim because there was evidence that the leak had been ongoing for some time and Mr R hadn't mitigated the damage. There was also evidence of historical repairs to the same part of the house. esure offered a settlement of £779.15 which, after deducting the compulsory and voluntary excesses, left a settlement of £79.15.

Mr R complained to esure. He said the damage would cost thousands of pounds to repair so the settlement wasn't anywhere near enough. He also complained about the 14-week delay telling him the outcome of the surveyor's assessment.

esure explained that its settlement offer was based on what it would likely have cost to repair the damage if Mr R had done something about it sooner - when he first noticed the stain on the ceiling below the bathroom. Because Mr R had a high policy excess, the sum payable after deducting the excess was much less. However, esure acknowledged its delay letting him know the outcome of his claim and paid £100 compensation by way of apology.

Mr R remained unhappy with the settlement offer and the compensation. He said his young and vulnerable family were put at risk because of the mould growth the surveyor had seen yet not reported to him, and because of the damaged en-suite floor. Mr R also complained to esure that its agent had talked to him inappropriately when explaining the policy excess. He brought his complaint to this service.

Our investigator thought esure's settlement offer was fair, but he didn't think the compensation was enough given esure's delay letting Mr R know the outcome of his claim. He recommended that esure increase the compensation to a total of £200.

Mr R didn't agree. He provided evidence that the policy excess had been incorrectly applied to the settlement, and he disputed the claim that there was evidence of an ongoing leak or previous repairs to the ceiling.

esure didn't agree that an increase in compensation was warranted because Mr R didn't follow up on his claim during the 14-week delay.

The complaint was passed to me to decide.

## 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.

I understand both parties will be disappointed, but I've decided to uphold the complaint in part for broadly the same reasons as our investigator. I'll explain.

## Escape of water

There's no dispute about the escape of water itself. The issue is whether there was evidence of the ongoing damage before Mr R reported it to esure, which would've enabled him to mitigate the loss.

The policy states:

*General terms and conditions which apply to your policy*

*Your duty of care*

*You and Your Household must:*

- *keep Your Buildings and Contents in a good state of repair and do all You reasonably can to avoid any accident, theft, loss or damage*
- *do all that You reasonably can to prevent further loss or damage arising as a result of an event covered by Your Policy.*

*If You or Your Household do not comply with any part of this condition, We have the right to not pay the claim.*

So, it's clear that Mr R had a duty to prevent the damage getting worse.

I note that Mr R had seen staining on the kitchen ceiling but thought it was coming from the roof and did nothing about it. When he eventually identified a leak, it was because water dripped through the kitchen ceiling in the same area as the staining. esure said if Mr R had acted when he first saw the staining, the damage could've been limited.

I've looked at the photos in the surveyor's report, which I understand Mr R has also seen now. The staining is evident on the kitchen ceiling, and I agree with esure's conclusion that there's evidence of historical repairs. I can't say the historical repairs carry any significant weight for me, especially as Mr R said that the room was relatively recently converted. But I'm satisfied that esure fairly limited its cover for the damage because Mr R could've acted sooner on seeing the staining. It agreed to pay for the likely cost of repair for the damage when the leak first happened. I think that was a reasonable offer, so I won't be asking esure to increase it.

## **Policy excess**

Mr R said esure didn't apply the policy excess correctly. I'll comment briefly on this point. esure deducted the compulsory policy excess of £450 and the voluntary excess of £250 from its settlement offer. Mr R provided a copy of an email from esure confirming it had waived the voluntary excess because the details weren't clear on his account portal. So, it seems the voluntary excess was valid, but esure waived it by way of apology. As esure amended the excess charged, there's nothing further for it to put right here.

## **Delay**

There's no dispute that Mr R wasn't told the outcome of his claim. esure explained that the surveyor didn't send it the report and that wasn't noticed until Mr R chased progress of his claim. I've noted esure's comment that Mr R could've chased the outcome sooner, and his explanation that he assumed the delay was due to covid-related issues.

Having considered the evidence, I find that the delay here was avoidable. While I agree Mr R could've chased the report sooner, he gave a reasonable explanation for not doing so. And, ultimately, it was esure's responsibility to ensure it kept Mr R informed of his claim's progress.

## **Compensation**

The damage to Mr R's floor was extensive, so I can understand that being unable to use his bathroom caused him inconvenience. esure paid £100 compensation in recognition of the delays. Mr R didn't think that was enough given the continued risk to his family because of the mould growth and unsafe floor.

I've thought carefully about this and I must be clear that the compensation is only to address the avoidable delay letting Mr R know that his claim was only partly covered. The mould growth he refers to was on his bathroom ceiling and unrelated to the escape of water. Therefore, he ought to have been aware of it even before the surveyor documented it in the report. I can't hold esure responsible for that.

esure didn't think the delay warranted £200 compensation and it said its offer of £100 was fair in the circumstances. After esure assessed Mr R's claim, it was silent on the matter for 14 weeks. When he chased up a response, esure accepted it had caused the delay and agreed to send Mr R the surveyor's report. So the delay was limited to 14 weeks because Mr R made contact. As I've said, it was esure's responsibility to progress the claim to an outcome and communicate that to Mr R. Its failure to do so promptly is a shortfall in claim handling. I also consider esure's failure to provide Mr R with a copy of the surveyor's report when he asked for it a further shortfall.

Overall, I consider £200 a fair sum in recognition of the avoidable delays.

I understand Mr R would've experienced inconvenience following the leak from his bathroom. But I consider the peril itself was the main cause of inconvenience, and esure's delays simply added to that. I'm satisfied that esure offered a settlement in line with the policy, and that an increase in its compensation payment to a total of £200 is fair and reasonable.

### **My final decision**

For the reasons given above, my final decision is that I partly uphold Mr and Mrs R's complaint and esure Insurance Limited must:

- pay a further £100 compensation, bringing the total to £200 for the avoidable delays.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs R and Mr R to accept or reject my decision before 18 November 2022.

Debra Vaughan  
**Ombudsman**