

The complaint

Mrs C complains about Fairmead Insurance Limited (Fairmead) poor service, following a claim under her home insurance policy.

What happened

Following a storm, Mrs C contacted Fairmead to make a claim. It sent a surveyor who assessed the damage and the claim was accepted. The surveyor estimated the repair cost to be £453.26 (less the policy excess of £250). Mrs C explained that she decided to pay the excess and asked Fairmead to obtain a contractor to carry out the repairs.

It sent a contractor to carry out the repairs. Mrs C said that the contractor repaired a ridge tile and one other tile on the roof that had been damaged. But this wasn't all the tiles that Fairmead's surveyor had found had been damaged.

Mrs C explained that she encountered many issues with Fairmead. These ranged from ignoring communications, failing to reply to requests, failing to carry out any repairs, erect and remove scaffolding and failing to complete the works as outlined by its surveyor. Mrs C raised a complaint to Fairmead but said that this was also ignored and that she didn't even receive a final response from them.

Mrs C said that her property was left exposed to the elements without the proper repairs being carried out. She explained that following a further storm, the tiles that had been replaced by the Fairmead contractor, were blown off again. And the roof was ultimately repaired by a different insurance company.

As Mrs C had had no response from Fairmead, she referred a complaint to our service.

One of our investigators considered the complaint and thought that it should be upheld. Her view was that Fairmead had provided poor service to Mrs C. In that, Mrs C had to repeatedly chase for updates, sent multiple emails concerning the repairs, the erection and removal of scaffolding (particularly as Mrs C was concerned about her security) and several appointments were missed, which resulted in Mrs C having to take time off of work. Mrs C sought compensation of £1,500, which she broke down to be £750 for the distress and inconvenience caused, £500 for the loss of holiday pay due to the time off that she had to take and £250 for the excess that she had paid.

During the investigation of this complaint, Fairmead made an offer of £150 as it accepted that the level of service, had fallen below its usual standards. Our investigator recommended that Fairmead increase its offer to a total of £350. This was made up of half the cost of the excess payment (£125). As well as compensation for the trouble and upset caused of £225.

Fairmead accepted the view, Mrs C did not. She said that although she was happy for the complaint to be upheld, she felt that the level of compensation was too low. She believed that she should have had all her premium payments refunded. And that at the very least

Fairmead should refund her excess payment. 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 will uphold this complaint, but for much the same reasons as our investigator, which might be a disappointment for Mrs C. But I hope my findings go some way in explaining, why I've reached this decision.

The main issue of this complaint is whether the level of compensation recommended was fair, in the circumstances. I must point out that I have considered all the evidence and points raised by both parties. If I don't mention a point, it isn't because I haven't considered it, I have. But as an informal dispute resolution service, we are tasked with reaching a fair and reasonable conclusion with the minimum of formality. In doing so, it isn't necessary for me to respond to every point made, but to concentrate on the nub of the issue.

Mrs C described that she contacted Fairmead as there was damage to her roof following a storm. I note that Fairmead sent a surveyor out to assess the damage and there appears to have been a dispute as to how many tiles became damaged.

In any event, Fairmead sent a contractor to carry out the repairs and Mrs C said that the contractor only found that two tiles were damaged (less than the surveyor said) which were replaced. Fairmead confirmed that the repairs were carried out.

Mrs C was asked if there was any further evidence that she wanted me to consider which could have included expert evidence from the contractor who ultimately carried out the repair to the roof, but none like this was provided. But what I do note is that following the repair, I can find no mention from Mrs C that the repair was unsuccessful. In that, there was no mention that further damage was caused to her property in any way.

Consequently, I'm satisfied that the repair carried out by the Fairmead contractor, didn't cause any further damage to Mrs C's property. And it is for this reason that I think Mrs C should only be liable for half of the excess payment and Fairmead ought to refund her £125. I say this also because, Mrs C still had the benefit of her policy until it expired and therefore could (if needed) make other claims upon it. Also, she made a claim for the repair to her roof and Fairmead carried out the repair.

I accept that the level of service provided to Mrs C was well below Fairmead's standard and that it has accepted this. From the evidence, I can see that Mrs C had to chase Fairmead for updates, there was an avoidable delay in removing scaffolding from her property, there were a few missed appointments in which Fairmead said they would attend, and then didn't. Which resulted in Mrs C having to take holiday and time off of work.

I am satisfied that Mrs C experience a poor level of service. And I understand that she wishes to claim for the lost time at work, the distress and inconvenience caused, as well as the excess payment. I have addressed the excess payment and why I think it is fair that Fairmead pay half of it.

Turning to Mrs C's lost holiday pay. Mrs C's policy doesn't give her cover for loss of holiday pay – that is, it's not something she's entitled to claim for under her contract of insurance. And I must also say any claim is going to involve a policyholder in some inconvenience including, almost inevitably, taking time off work for a contractor to come in and put things right.

I understand that Mrs C has asked for £500 for lost holiday pay. But in order to recommend this, we would need to see significant evidence to support this, which I have not seen. So, I can't recommend that Fairmead would have to pay £500 for the lost holiday pay. Furthermore, we don't directly compensate customers for lost hours of work/holiday. If we did, we'd be compensating those with higher-paying jobs far more than others, which wouldn't seem fair.

Mrs C feels that she should receive around £750 for all the distress and inconvenience caused. I have had a think about this given the impact on Mrs C.

Our approach is that, if an error has caused the consumer more than the levels of frustration and annoyance you might reasonably expect from day-to-day life, and the impact has been more than just minimal, then an apology won't be enough to remedy the mistake.

I'm satisfied that Fairmead apologised for the poor service, but I'm not satisfied that this alone and the £150 offered is fair. I'm satisfied that there were repeated errors, that required a reasonable effort for Mrs C to sort out. I'm also satisfied that the impact of Fairmead's actions caused Mrs C some stress and inconvenience.

I understand that Mrs C was seeking a far higher amount of compensation, but having considered our awards criteria, I think that it is fair that Fairmead pay half of the excess payment - £125. As well as £275 compensation for the trouble and upset caused. A total of £400. I think this sum fairly reflects the impact on Mrs C for the poor service she received.

Putting things right

I direct Fairmead Insurance Limited to put things right as I set out below.

My final decision

For the reasons I've given, I uphold Mrs C's complaint and direct Fairmead Insurance Limited:

To refund half of Mrs C's excess payment of £125.

To pay Mrs C £275 compensation for the trouble and upset caused.

Fairmead Insurance Limited must pay the compensation within 28 days of the date on which we tell it Mrs C accepts my final decision. If it pays later than this it must also pay interest from the date of my final decision to the date of payment, at 8% a year simple.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs C to accept or reject my decision before 7 December 2022.

Ayisha Savage
Ombudsman