

## **The complaint**

Ms R has complained about how esure Insurance Limited (esure) dealt with costs for alternative accommodation during a claim under her home insurance policy.

## **What happened**

Ms R made a claim for an escape of water under her home insurance policy. esure accepted the claim. Ms R later complained to esure and then to this service because of issues with how her claim had been dealt with. An ombudsman at this service issued a final decision requiring esure to pay £2,500 compensation.

The claim remained ongoing and Ms R complained again. esure had found a further leak. It was agreed Ms R would move to alternative accommodation for two weeks. However, following that time, she remained in alternative accommodation because the outstanding work hadn't been completed. esure replied to the complaint. It said it had accepted a further claim for trace and access, but had told Ms R there was no cover for the pipes. However, it then agreed a 50% contribution for the work on the pipes as a gesture of goodwill. It didn't agree it was liable for any alternative accommodation costs at this stage of the claim. However, it offered a further £250 compensation.

So, Ms R complained to this service. Our investigator upheld the complaint and said esure should pay the cost of the alternative accommodation. He said esure hadn't provided the requested evidence to show why its position was reasonable. He said esure also hadn't shown the delays which led to the works taking months to carry out were reasonable.

Following this, esure maintained that it had acted reasonably, but still didn't provide this service with the requested evidence. So, 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.

This has clearly been a very lengthy claim. I'm aware this service has already considered a complaint about how esure dealt with earlier parts of this claim. I'm also aware that Ms R has continued to raise concerns with esure about her claim. This decision will focus on the complaint raised about the alternative accommodation following the second leak being found.

Ms R moved to alternative accommodation following issues being found with the floor that had been laid as part of the repairs under the claim. Both Ms R and esure seemed to expect this move to be for a two-week period. However, it ended up being considerably longer. esure has said it doesn't need to meet the additional accommodation costs because the second leak wasn't covered by the policy.

This service asked esure to provide evidence, including the trace and access report for the second leak and an explanation for why it thought this second leak wasn't part of the claim. esure didn't provide this. As a result, I haven't seen evidence to show it was reasonable for esure to say this wasn't part of the claim. esure also didn't explain why it required Ms R to use its own contractors to replace the pipework if it didn't form part of the claim. It also didn't provide a full schedule of works to show what work was required, when esure expected this to be completed and why this then didn't happen.

There was also the issue with the floor that was put down. It was when this was lifted that the second leak was found. esure has told this service that the contractor who laid the floor had accepted liability for not fitting the floor correctly and for its reinstatement. esure said issues related to this, including any delays, should be referred to the contractor's public liability insurer. However, I note that the contractor was working for esure, so I'm not persuaded that Ms R should deal with the contractor and its insurer directly. Ms R's relationship was with esure. esure chose the contractors and it's for esure to deal with any issues with those contractors itself, not to pass that on to Ms R.

Based on what I've seen, esure agreed it was reasonable for Ms R to move to alternative accommodation. It hasn't provided the requested evidence to show why it thinks the second leak wasn't part of the claim. It also hasn't provided evidence to show why esure and contractors working on its behalf weren't responsible for the delay that then prevented Ms R from moving back to her home. As a result, I uphold this complaint and require esure to pay the cost of Ms R's alternative accommodation. esure must also pay interest on that amount, as Ms R lost use of that money.

### **Putting things right**

esure must pay the cost of Ms R's alternative accommodation and pay interest on that amount.

### **My final decision**

For the reasons I have given, it is my final decision that this complaint is upheld. I require esure Insurance Limited to:

- Pay the cost of Ms R's alternative accommodation while she remained away from her home.
- Pay 8% simple interest on that amount from the date of each payment Ms R made to the date on which esure Insurance Limited makes the payment to her.
- If esure Insurance Limited considers it's required by HM Revenue & Customs to withhold income tax from this interest, it should tell Ms R how much interest it's taken off. It should also provide Ms R, upon request, a tax certificate for the deduction.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms R to accept or reject my decision before 26 December 2022.

Louise O'Sullivan  
**Ombudsman**