

The complaint

Mr and Mrs E complained about the delays and the management of their damage claim following a leak at their home. They had a home insurance policy with esure Insurance Limited (“esure”).

What happened

Mr and Mrs E had a leak – they contacted their home emergency provider to fix it. Mr and Mrs E experienced difficulties with their home emergency provision, but this complaint focuses on the circumstances involving their insurer in relation to repairing the damage from locating the leak (trace and access) and the damage from the leak itself.

Mr and Mrs E felt esure contributed to the delays in locating the leak which led to further damage been caused to their property. Mr and Mrs E said significant amounts of water leaked into their wall cavities and they felt it was dangerous in respect to the electrics. The carpets from the bedroom and landing were damaged and had to be removed. The house required drying.

esure settled the claim. However, Mr and Mrs E were unhappy with the details of the settlement and there they had to make several calls to try and resolve this. Some of these calls weren’t returned.

esure acknowledged there were delays in initially accepting the claim and that its service hadn’t met the standards it would expect. esure acknowledged the difficulty Mr and Mrs E had experienced when trying to contact it and its appointed contractors. esure said it had learnt from the mistakes and paid Mr and Mrs E £100 compensation to reflect the distress and inconvenience it had caused. Mr and Mrs E didn’t think the compensation fairly reflected their troubles.

Our investigator decided to uphold the complaint. She thought esure had accepted its failings for what happened. However, she didn’t think the compensation paid was enough, she felt the inconvenience was greater due to the effort they had to make in pushing the claim forward themselves. She awarded a further £25 to cover the cost of the calls made by Mr and Mrs E and a further £25 compensation (so recommended £150 compared to esure’s payment of £100). Mr and Mrs E disagreed, so the case has been 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.

esure have accepted it has made mistakes and agreed its standard of service was lower than it should’ve been, so I will focus my decision on considering whether I think £100 is enough compensation for the distress and inconvenience caused.

As this complaint is set-up against esure (the insurer), I can only consider any mistakes

made by it. I'm not able in this complaint able to consider anything done incorrectly by the home emergency provider. However, I have noted that it was the home emergency provider who caused problems at the outset by failing to fix the leak properly – this itself will have caused delays and damage, but I can't hold esure responsible for this.

I can see esure was initially notified about the claim on 21 January – the home emergency provider wasn't able to provide a trace and access service, so Mr and Mrs E was seeking support from esure. From reading the claim notes, it seems Mr and Mrs E had an expectation that esure would locate the leak, fix it and reinstate any damage caused. I don't think this was reasonable, as under the policy esure aren't obligated to carry out any repairs. I appreciate this might have been frustrating for Mr and Mrs E, but I don't think it's fair to expect esure to provide services that aren't covered by the policy.

esure appointed a contractor to locate the leak. Mr and Mrs E were unhappy that it wasn't until 3 February that the contractor was able to attend their property which allowed the leak to be fixed. I think given the circumstances two weeks was a long time for esure to get its contractors to attend. However, I can see that on 27 January, Mr and Mrs E were advised they could appoint their own contractor to do this work and claim for the cost of this. I do think Mr and Mrs E have suffered here, as esure hasn't provided the service it was obligated to under the policy in a reasonable timeframe. But, I have noted that esure did try and mitigate the delay. I think the delay would've increased the distress caused by the initial leak.

I can see Mr and Mrs E made numerous calls to get updates on the claim. I think esure could've made it easier for Mr and Mrs E by better explaining the roles of each of the parties involved in the claim (the role of the home emergency provider, themselves and different appointed contractors). I think this would've been confusing for Mr and Mrs E. esure are experts in the claims process, so I would've expected them to take the lead and help reduce the anxiety for Mr and Mrs E. Having said this, I must be fair and say part of this responsibility was also with the home emergency provider – so the fault here I think is shared.

esure offered Mr and Mrs E a cash settlement for the damage and they asked for more details to support this on 24 February. After some dialogue, I can see Mr and Mrs E accepted the cash settlement on offer. I don't think the time to reach an agreement here is unreasonable.

Therefore, I have considered whether the compensation offered by esure was fair. I don't think it was. I think there is evidence of delays early in the process once esure became aware of the claim. However, considering the overall timescales, I'm not convinced these delays significantly impacted the extent of the damage.

There were some difficulties in Mr and Mrs E understanding the claims process. With any claim there will be inconvenience caused and it's easy to think this is always the insurer's fault, but unfortunately incidents happen. The leak wasn't caused by esure, so it's not fair to hold everything against it. I do think it could've communicated better to provide a clear timeframe and understanding of the process. So, I do uphold this complaint.

I award £150 in compensation in total (i.e., £50 more than was offered by esure originally) to reflect the distress and inconvenience caused (including any expenses incurred, such as telephone calls). I don't think esure's actions caused significant damage beyond what was already caused – but I do think it added to the level of anxiety Mr and Mrs E suffered.

My final decision

My final decision is that I uphold this complaint. I require esure Insurance Limited to pay Mr and Mrs E £50 in additional compensation for distress and inconvenience (£150 in total) if this hasn't already been paid.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs E and Mr E to accept or reject my decision before 22 February 2023.

Pete Averill
Ombudsman