

The complaint

Mrs G and Mr G complain about esure Insurance Limited (EIL) and the handling of the claim they made on their home insurance policy.

Mrs G and Mr G have used a representative during the complaint process. For ease of reference, I will refer to any comments made, or actions taken by the representative as made by Mrs G and Mr G throughout the decision.

What happened

Mrs G and Mr G held a home insurance policy underwritten by EIL. On 30 August, a local contractor fitted a shelf in their property. Unfortunately, during this process, the contractor screwed through a water pipe in the wall.

Mrs G and Mr G were unaware of this at first. But in late September, they became aware of damage to their flooring. Following this, the damage to the water pipe was discovered and repaired. But Mrs G and Mr G's property was left with water damage across several rooms and so, they contacted EIL to make a claim on their home insurance policy.

In October 2021 EIL instructed a contractor, who I'll refer to as "B", to inspect the damage and compile a report listing the necessary repairs. B did so acting as an agent of EIL and so, EIL remained responsible for the work B carried out. This repair work was carried out in January 2022, at the request of Mrs G and Mr G, and the property was deemed to be dry.

But Mrs G and Mr G were unhappy with the quality of the repairs. And they maintained the property was still wet. So, Mrs G and Mr G appointed a loss assessor, who I'll refer to as "C", to deal with the claim on their behalf.

In February 2022, EIL offered a cash settlement to Mrs G and Mr G. But this offer was rejected, and they maintained the property was still wet. Conversation around this continued until May 2022, when EIL agreed to appoint another contractor, who I'll refer to as "S", to reinspect the property. Again, S acted as an agent of EIL, with EIL remaining responsible for their actions. S provided a report which supported Mrs G and Mr G's testimony, stating drying was still required as well as work to repair the water damaged rooms.

Further delays were encountered arranging this additional work and Mrs G and Mr G remained unhappy. So, they raised a complaint. Mrs G and Mr G were unhappy that B had failed to repair their property appropriately in January 2021. And they were unhappy with how their claim had been handled since that time, which they felt had left them living in a damp home with mould present when they had a young child and several pets. So, they wanted the claim progressed to completion as a matter of urgency. And they wanted alternative accommodation to be agreed, while also being compensated for the inconvenience and suffering they had been caused.

EIL responded to the complaint and upheld it. While they didn't think there was evidence to say for certain that B were wrong to say the drying had been completed, EIL recognised S felt the damage present in May 2022 was claim related and so, they accepted B had failed to

repair the damage which had in turn left Mrs G and Mr G living in a damp house with their family.

But they did feel certain delays during the claim process had been caused by C, rather than themselves, which had continued to elongate the claim. So, considering the above, EIL paid Mrs G and Mr G £500 to recognise the upset and suffering they'd been caused. Mrs G and Mr G remained unhappy with this and so, they referred their complaint to us.

Our investigator looked into the complaint and upheld it. He was satisfied, based on the balance of probability and the report compiled by S, that B hadn't dried Mrs G and Mr G's property appropriately. So, he thought Mrs G and Mr G were left living in a damp property for longer than they should've been. But he did recognise that there had been delays in S completing the rectification work that he felt was caused by C, rather than S or EIL. So, he didn't think EIL were responsible for all of the delays.

Having considered the above, and the fact Mrs G and Mr G were left living in a damp property with a young child and several pets, and the testimony Mrs G and Mr G provided about their suffering, our investigator thought EIL should pay a further £250 compensation, taking the total offer to £750.

Mrs G and Mr G accepted this recommendation. But EIL didn't, providing no further comments explaining why. As EIL didn't agree, the complaint has been passed to me for a decision.

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'm upholding the complaint for broadly the same reasons as the investigator. I've focused my comments on what I think is relevant. If I haven't commented on any specific point, it's because I don't believe it's affected what I think is the right outcome.

I recognise EIL have accepted the claim should've been handled better by B. This is stated within their response to Mrs G and Mr G's complaint alongside their offer of £500 compensation. As this isn't in dispute, I don't intend to discuss this in detail. But for completeness, I want to confirm I've read the inspection report from S, who attended Mrs G and Mr G's property in May 2022. And I think it's clear from this report that the repairs recommended and quoted for were for damage that arose from the initial insurable event, where a contractor screwed through Mrs G and Mr G's water pipe.

While I understand B, and the contractor they used to dry the house, suggested the continued dampness may have been as a result of further leaks, I've seen no evidence to support this. So, on the balance of probability, I think the dampness present in Mrs G and Mr G's house arose from the leak in August 2021 and so, I think it follows that B failed to complete the required repairs to ensure the property was dry in January 2022.

And because of this failure, I think it follows that Mrs G and Mr G were left living in a damp property for longer than they should've been. So, I'm satisfied EIL have acted unfairly. I've then turned to the main area of dispute, which centres around what EIL should do to put things right.

Putting things right

When thinking about what EIL should do to put things right, any award or direction I make is intended to place Mrs G and Mr G back in the position they would've been, had EIL acted fairly in the first instance.

In this situation, had EIL acted fairly, I think Mrs G and Mr G's property would've been made dry correctly in January 2022. While I appreciate there was a period of time between October 2021 to B's contractor attending in January 2022, I can see the claim was placed on hold at Mrs G and Mr G's request. So, I don't think EIL are responsible for any delays during that period of time.

But as I've explained within my decision, I don't think the property was made dry in January 2022. And so, I think Mrs G and Mr G were left living in a damp property that required further repairs from January 2022 to May 2022, when EIL took the decision to appoint S.

The scope of my decision runs up to the date EIL issued their final response, in September 2022, and I recognise at this time the repair works had still not been completed. But I also recognise that between June – September 2022, there were delays caused by C and their failure to respond to EIL's requests. So, I don't think it would be fair for me to hold EIL responsible for all of the delays between January to September 2022.

So, I think EIL should compensate Mrs G and Mr G for the suffering and inconvenience they felt between January – May 2022, living in a damp property with pets and a young child. I appreciate the stress this would've caused them, and the worry they would've felt regarding the damp and the health impact this may have on themselves and their child. I think this would've been a significant worry, over a lengthy period of time.

But I recognise EIL have already paid Mrs G and Mr G £500 to recognise this. And I can see they agreed to alternative accommodation costs for the period of time the necessary repairs are carried out. So, I do think EIL have made attempts to recognise the seriousness of the situation, and their failures throughout this. And I must consider this when ensuring my decision remains fair to both parties.

I can see our investigator recommended EIL pay Mrs G and Mr G a further £250 to bring the total compensation offer to a level they felt was appropriate. And I think this additional payment is a fair one, that falls in line with our service's approach and what I would've directed, had it not already been recommended.

I think it fairly takes into consideration the additional amount of time Mrs G and Mr G were living in a damp home, when I would've expected B to have ensured the drying was completed correctly. And I think it reasonably compensates Mrs G and Mr G for the upset and worry they would've felt during this time, considering the young child and animals they had in the property. But I do think it also fairly takes into consideration the delays caused by C, acting on behalf of Mrs G and Mr G at the time, and EIL's agreement to alternative accommodation and their agreement to appoint S in the first place when it became clear the testimony of Mrs G and Mr G conflicted with the view of B. So, I think EIL should pay Mrs G and Mr G an additional £250.

I understand this isn't the outcome EIL were hoping for, as I acknowledge they rejected this payment when it was recommended by our investigator. But EIL didn't provide comments explaining why they felt this additional payment was unreasonable. So, while I have noted EIL's rejection, I haven't been able to consider their reasoning when reaching this decision.

My final decision

For the reasons outlined above, I uphold Mrs G and Mr G's complaint about esure Insurance Limited and I direct them to take the following action:

- Pay Mrs G and Mr G an additional £250 to recognise the impact their service failures have had.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs G and Mr G to accept or reject my decision before 21 March 2023.

Josh Haskey
Ombudsman