

## The complaint

Mrs G and Mr G complain about Fairmead Insurance Limited (FIL) and the way they handled the claim they made following an escape of water at their home.

Mr G has acted as the main representative during the complaint process. So, for ease of reference, I will refer to any comments or actions taken by either Mrs G or Mr G as “Mr G” throughout the decision.

## What happened

Mrs G and Mr G held a home insurance policy, underwritten by FIL. Unfortunately, in June 2022, Ms G and Mr G discovered a leak at their home. So, they contacted FIL to make a claim.

The leak itself was confirmed as fixed in early July. But the leak itself, as well as the access work to locate it, had damaged Mrs G and Mr G’s home. So, FIL instructed a contractor to attend the property and estimate the repair work that would be required. This estimate was received towards the end of July and, due to the costs involved, FIL took the decision to appoint a loss adjustor, who I’ll refer to as “X”, to handle the claim on their behalf.

X attended Mrs G and Mr G’s home in mid-August, and they sent their report to FIL the following week confirming the repair works that were required. FIL approved this work in September, and a contractor, who I’ll refer to as “R” was appointed.

But the stripping out of Mrs G and Mr G’s home wasn’t started until the end of October, with the required drying process starting shortly after. Mrs G and Mr G were unhappy about the service they received, so they raised two separate complaints.

Initially, Mrs G and Mr G complained about the length of time it had taken from the claim being raised for the repair works to begin. They explained they had been on holiday during August and completing the work in this time would’ve minimised the disruption to them. So, they were unhappy this hadn’t been done and that the work would now happen during the colder months of the year.

FIL responded to this first complaint in October 2022 and accepted there had been avoidable delays during the claim process. So, they offered to pay Mrs G and Mr G £250 to recognise the impact this had caused. And the repair work was booked in for the end of the month.

But Mrs G and Mr G were unhappy with the stripping out works that had been completed and the condition R had left their house in following this work. They again raised their unhappiness with the length of time the claim had taken, and the fact they were living in a home without access to cooking and clothes washing facilities.

FIL responded to this complaint on 2 December and again upheld it. They accepted the claim had encountered further delays and they accepted the service Mrs G and Mr G had received wasn’t the standard they’d expect. So, they offered Mrs G and Mr G a further £150,

taking the total compensation offered to £400 overall. Mrs G and Mr G remained unhappy with this response, so they referred their complaint to us.

Our investigator looked into the complaint and didn't uphold it. They recognised FIL had accepted there had been delays during the claim process, and that the service could've been improved. But they thought the £400 already paid was a fair one. They recognised Mr G's comments surrounding lack of access to a working kitchen, but our investigator didn't think the home was uninhabitable due to another kitchen being available and so, they didn't think Mr G and his family qualified for either alternative accommodation or disturbance allowance. Because of this, they didn't think FIL needed to do anything more.

Mr G didn't agree. He didn't think the £400 offered was enough to compensate him for the inconvenience he'd been caused, which included his inability to work from home due to the noise created by drilling during the repair works. And Mr G explained had the work been completed while he was away in August, he wouldn't have suffered this disruption. He also explained that while another kitchen was available, this hadn't been connected. And when they tried to connect this, they discovered the electric cooker wasn't working. So, they didn't think it was fair to say the house was habitable and that alternative accommodation shouldn't have been offered. Mr G also went on to explain the inconvenience he's been caused since the last response to his complaint, including their inability to host family over the Christmas period and the health issues he's faced due to the stress of the situation. So, Mr G maintained his belief the compensation offered to him should be increased. As Mr G 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 don't think FIL need to offer anything more than the £400 that has already been offered over their two complaint responses. 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.

Before I explain why I've reached my decision, I think it would be useful for me to explain exactly what I've been able to consider. Under the rules set by the industry regulator, the Financial Conduct Authority, our service is only able to consider complaints, and the subsequent impact to a customer, that have been raised with a business who have in turn been given eight weeks to consider within their own internal complaint procedure.

In this situation, I can see that FIL have issued two final responses to Mr G's complaint, the latest response being issued on 2 December 2022. So, my decision focuses solely on the service FIL have provided from the beginning of the claim up until this date. Any actions FIL have taken, or any impact Mr G and his family have suffered, after this date fall outside of our service's jurisdiction to consider, as I can't see that FIL have been given an opportunity to consider this and provide a response. Mr G is able to raise a separate complaint about this, should he remain unhappy and wish to do so.

To begin with, I want to recognise the impact this complaint has had on Mrs G and Mr G. I understand they took out the insurance policy with FIL to help assist them both logistically and financially in a situation such as the one they found themselves in. And I don't think it was unrealistic of Mr G to expect FIL to handle their claim in a way that minimised the disruption to their daily lives.

FIL have already accepted there were avoidable delays during the claim process. And that

the service they provided fell short of their expectations during this time. It's also accepted that this has impacted Mr G and his family, and that he's been inconvenienced because of this. So, I think it's accepted that FIL have failed to meet Mr G's expectations and that he has been unnecessarily disrupted because of this. So, I don't intend to discuss the merits of these complaint issues any further.

Instead, I've focused on the main area of dispute, which centres around what FIL should fairly do to put things right.

### **Putting things right**

When thinking about what FIL 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 FIL acted fairly in the first place.

In this situation, FIL have accepted there have been avoidable delays in the claim process. I can see that between 26 July and 15 August, FIL failed to action the report they were provided by the initial contractor who inspected Mrs G and Mr G's home. And between 4 September and 5 October, FIL failed to approve the required repairs that allowed R to agree a repair start date with Mrs G and Mr G. So, I think the claim was unnecessarily delayed by around two months and that, had these delays been avoided, work on Mr G's home would've started sooner.

I recognise during this time, Mrs G and Mr G were living in a damaged home that required repair. And I appreciate the upset this would've caused. I also note that during most of this period, Mrs G and Mr G chased FIL for updates, rather than FIL proactively providing these. And I don't think this should've been Mrs G and Mr G's responsibility. I also accept that, had there not been a two-month delay, the works would've likely started around the start of September, rather than November, when the weather would've been better and so, the impact of any works been mitigated.

I've also seen photo's that Mr G has provided showing rubbish left outside his home after the stripping out work had been completed to allow the drying to commence. And I don't think it was reasonable for R to have left this rubbish at the property.

But I recognise Mrs G and Mr G feels there had been additional impact that hasn't been considered. Specifically, Mr G doesn't think he's been compensated for the disruption caused to him working from home. Mr G has stated that, due to the drilling at the property, he's not been able to focus due to the noise. But as I've explained above, this decision focuses solely on the impact to Mrs G and Mr G up to 2 December 2022. And I note that Mrs G and Mr G were on holiday when the stripping work was carried out. And it was only the drying process in place when they returned. So, I can't see how Mr G would've been inconvenienced by drilling during the period of time I'm able to consider.

Mr G has also expressed his unhappiness about living in a home without cooking and clothes washing facilities. And he feels he should've been offered alternative accommodation or disturbance allowance.

But I've seen the terms of Mr G's insurance policy, which explains that FIL will only pay alternative accommodation costs if "*your home is unfit to live in*". In this situation, Mr G and his family had access to bathing facilities, as well as access to running water and heating in the majority of their home. And they also had access to another kitchen located in their annex. While I appreciate Mr G's comments about the electric cooker in this kitchen, and the fact it didn't work, I don't think it was FIL's responsibility to ensure the additional cooker Mr G

had access to was functional. Mr G could've looked to repair or replace this cooker to ensure he had access to cooking facilities, and I think this was Mr G's own responsibility to arrange.

So, I don't think FIL were unfair to deem Mr G's home fit to live in. I appreciate Mr G's washer couldn't be used, but I think Mr G and Mrs G would've been able to make alternative clothes washing arrangements and I don't think lack of access to this alone rendered their home uninhabitable.

I also recognise Mr G's comments about the delays and how, had FIL acted without delay, the works to his home could've been completed while he was on holiday. But I've seen no evidence to show this was ever agreed between FIL and Mr G. And even if it had been, I recognise that the stripping and drying out process took over three weeks, which is longer than the time Mr G was away in August. And this is before reinstatement works have been factored in, which took place after 2 December and so, haven't been looked at within this decision.

So, I still think Mr G would've been inconvenienced by the repair works needed to his home. And I don't think FIL are responsible for this inconvenience as they were required to strip out parts of Mr G's home to allow for the drying process to take place.

I also recognise Mr G feels this stripping out process wasn't done correctly, and this should also be considered as part of the compensatory offer. But I can see the drying out process conducted after the stripping out process was deemed to be successful. So, I think it follows that, over the period I've been able to consider, there is nothing to suggest the stripping works weren't carried out correctly or successfully.

Considering all of the above, I note FIL have offered to pay Mrs G and Mr G a total compensatory amount of £400. And having considered this, I think this offer is a fair one, that falls in line with our service's approach and what I would've directed had it not already been made.

I think it fairly recognises the avoidable delays during the claim process, which has left Mr G and Mrs G with a damaged home for longer than I think was necessary. And I think it recognises the failures in the service FIL provided, including the lack of communication with Mr G and Mrs G.

But I think it also takes into account the fact that Mrs G and Mr G did have an alternative kitchen available, regardless of the electric cookers working status, which I think means they were fair to decide alternative accommodation wasn't necessary. I think it also takes into account the fact that stripping and drying works were required and that it was also going to create some unavoidable inconvenience to Mrs G and Mr G, which FIL were unable to mitigate.

So, I think the £400 should be paid to Mrs G and Mr G, if it hasn't been already. I am assuming it hasn't been paid, as the offer FIL made to Mrs G and Mr G was payable subject to their acceptance. And I recognise Mrs G and Mr G have raised their disputes to this amount to our service.

I understand this isn't the outcome Mrs G and Mr G were hoping for. And I appreciate the claim has continued after the second final response FIL issued on 2 December and that some of the inconvenience they feel should be considered falls during this time. Mrs G and Mr G are able to put these concerns to FIL directly and, should they remain unhappy with FIL's response, would be able to contact our service separately about these points. But these concerns haven't impacted the decision I've reached on this occasion, regarding the actions of FIL from June to 2 December 2022.

### **My final decision**

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

- Pay Mrs G and Mr G £400 if it has not already been paid.

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 17 April 2023.

Josh Haskey  
**Ombudsman**