

The complaint

Mr and Mrs M complain esure Insurance Limited handled their home insurance claim poorly.

esure's used the services of contractors for the claim. For simplicity, in places I've referred to their actions as being those of esure.

What happened

In August 2022 Mr and Mrs M made an escape of water claim on their esure home insurance policy. esure accepted the claim.

Mr and Mrs M complained about the progress of the claim and a settlement figure they were being quoted. They were unhappy with extended disruption to their family life and a lack of empathy from esure. In a final complaint response letter esure apologised for continually referring to a settlement of £2,000, when the final agreed amount was closer to £10,000. It offered £100 compensation to recognise the impact on Mr and Mrs M.

Mr and Mrs M didn't think esure had done enough, so they came to this service. Our investigator felt esure hadn't done enough to recognise the impact of the delays. So he recommended it pay an additional £150 compensation – £250 in total. esure didn't accept the recommendation. It said the claim had been resolved in reasonable time and the compensation already offered was enough. So the complaint was passed to me to decide.

Mr and Mrs M have also raised dissatisfaction with the final cash settlement paid by esure – but they haven't asked for this service to consider that aspect. So I haven't considered it.

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.

The escape of water caused damage and disruption to various rooms including the kitchen and a wet room. This would be a test for any family. But as they have explained Mr and Mrs M's sons' disabilities meant it was particularly distressing and inconvenient for them. As an example a change in environment is distressing for them – and the wet room was installed to meet their needs.

Unfortunately some level of distress and inconvenience is usually experienced by those making a claim like Mr and Mrs M's. The escape of water isn't esure's fault, so I can't fairly say it should pay compensation for any expected discomfort experienced during the claim. I can only reasonably require it to do so when, through its acts or omissions, it caused the Mr and Mrs M additional and unnecessary inconvenience or distress.

As the policy terms allows, esure decided to cash settle the claim. This meant Mr and Mrs M would be required to find and pay the invoices of their own contractors. This can be a stressful task without any extra concerns.

But, as esure accepts, its contractor repeatedly referred to a significantly lower settlement than Mr and Mrs M were eventually paid. I can understand why this caused them a level of additional distress. With the circumstances of their sons, they were already in a stressful environment. Being repeatedly informed they would receive a payment well below that required to return their home to a suitable environment for their sons must have added significantly to their distress.

In addition, whilst I've considered esure's comments on a possible second leak intervening, the time taken to drying and cash settling the claim, does seem a little longer than might be expected. Resulting in Mr and Mrs M and their family being without the use of some of their home facilities for longer than necessary.

So with this in mind I agree with the investigator that an additional £150 compensation would be a fair amount recognise the impact of esure's poor service.

My final decision

For the reasons given above, I require esure Insurance Limited to pay Mr and Mrs M a total of £250 compensation (including the £100 already offered).

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr M and Mrs M to accept or reject my decision before 12 April 2023.

Daniel Martin
Ombudsman