

## The complaint

Mrs S and Mr S complain about how Fairmead Insurance Limited handled a claim they made on their home insurance policy.

Reference to Fairmead includes its agents.

## What happened

Mrs S and Mr S are joint policyholders of a policy with Fairmead - for ease of reading, at times, I'll refer to them both as Mrs S. When their home was damaged by a fire, they made a claim to Fairmead for the damage. Fairmead accepted the claim.

Mrs S complains about Fairmead's handling of that claim. The complaint is essence, that it's taken far too long to resolve and there are aspects still outstanding. Mrs S says the impact of the claim going on for so long has been significant.

She's said they were in different alternative accommodation over the life of the claim, and that being out of their home for over a year affected both hers and Mr S's health. She's said on a number of occasions they were led to believe the claim would be settled shortly, only to have it delayed and the alternative accommodation extended, at times, at very short notice.

She's said this affected her children's health too, that her young son has had to spend much longer than planned in a cot bed and that both, especially her daughter has missed having the garden and became unsettled at school due to the time away from home. She's said being left to source the contractors for the final bits of snagging are adding to the already distressing experience of this claim.

Fairmead offered a total of £1,500 compensation – it acknowledged Mrs S and her family were out of their home and in alternative accommodation for longer than expected. Mrs S and Mr S declined this and brought their complaint to us.

One of our investigators recommended it be upheld. She thought the distress and inconvenience caused warranted more compensation and recommended Fairmead pay Mrs S and Mr S a total of £5,000. She also recommended Fairmead take ownership and control of the remaining snagging issues.

Mrs S and Mr S accepted this recommendation. Fairmead didn't and asked for an ombudsman's decision. It said Mrs S had chosen some the alternative accommodation they spent around 12 months in and had confirmed they were happy there. So, it thought £2,000 was a fairer amount of compensation in this case. They also said they couldn't confirm they were able to take ownership and control of the remaining snagging items.

I issued a provisional decision explaining that I was planning on upholding the complaint, but recommending a different amount of compensation. That decision said:

*In summary I'm planning on requiring Fairmead to pay Mrs S and Mr S £3,500 compensation. I understand this is less than our investigator recommended, and as such*

*may come as a disappointment to them. But, while determining a monetary figure to place on the distress and inconvenience anyone has suffered can at times be difficult, I think this amount is fair and reasonable in all the circumstances of this complaint.*

*The delay, and the length of it aren't in dispute here. Fairmead acknowledge the claim took far longer than it should have done. Had the issue with the gutters been spotted early, as it should have been, it's unlikely the issue regarding the damp would have occurred and Mrs S and Mr S and their family wouldn't have been out of their home for so long. So, this decision doesn't focus on that, it focusses on the impact of that error. While everything might not be mentioned here – everything raised by both parties has been considered.*

*In short, it's meant Mrs S and her family have been out of their own home, unnecessarily, for over a year. And in that time, they've experienced distress and inconvenience, to the point that it's affected Mrs S's health, Mr S's health, and their young son's health, as well as having an effect on their daughter.*

*Some of the alternative accommodation they were placed in didn't suit Mr S's needs being physically disabled. Some accommodation was being closed for refurbishment, but this wasn't realised until very late in the day leading Mrs S to source alternatives herself at very late notice during a time when Mr S needed rest after a medical procedure. One alternative accommodation was dirty and unclean and while Mrs S and her family were staying there suffered a rodent infestation causing her young son to contract diarrhoea.*

*The accommodation Mrs S and her family stayed the most amount of time in - roughly a year – was further away from school and nursery, was smaller than their home and didn't have a garden. While saying here, their young son had to stay in a cot bed longer than necessary – sleeping longer with Mrs S and Mr S instead of in his own room. He ultimately had to sleep on a mattress on the floor. I can imagine this being distressing for any parent.*

*Mrs S said the lease agreement prevented them from putting up decorations for Christmas and that their daughter found the presents – due to the smaller place they were staying in – and discovered Father Christmas wasn't real as a result. Finding this out is something most children eventually do, but I'm persuaded the circumstances at least contributed to it. That, and the lack of decoration would have been a distressing time for the family at a time when they would usually have been celebrating.*

*Mrs S said her daughter has been unhappy at school too due to the lengthy time being out of their home. Quite how much of this can be contributed to the accommodation is debatable. But I'm persuaded that a lengthy time away from home will have played a significant part in a child feeling settled. And having an unsettled unhappy child is likely distressing for a parent.*

*Being in alternative accommodation meant family weren't able to visit and offer support as they normally would and that they felt removed from their support network, again adding to the distress especially with two children (one very young) involved.*

*Mrs S explained they missed two planned holidays because they clashed with dates they were given by Fairmead for moving back into their home. They didn't move back to their home on either of these two dates, so the missed holidays felt even more distressing as a result.*

*Mrs S says the continued distress affected her health leading her to be admitted to hospital for stress induced conditions. And she's said Mr S's health has also been affected by the length of time this claim has been ongoing leading to depression.*

*I take on board Fairmead's point that Mrs S chose the property they spent the most time in.*

*And that she confirmed in an email that they were happy there as a family. I've seen that email, and Mrs S does say she's happy there. But it's also clear that she expects to be there for around eight weeks, not 12 months.*

*Mrs S did choose this property, but this should be considered in context. It was only expected to be for a short period of time, and it was following previous bad experiences with alternative accommodation chosen by Fairmead. Considering they'd been moved from a hotel that needed refurbishment and a property that was dirty and had a rodent infestation and an escape of water, I can see why they'd be happy in the property they were in at that time and not want to move again. But being happy to be in a property for eight more weeks and being happy in that property for 12 months are two very different things. I'm happy Mrs S confirmed the first, I'm not persuaded she confirmed the latter.*

*Some degree of distress and inconvenience is to be expected following a fire. Especially if the damage or remedial work means you need to leave your home. But in this case, I'm satisfied that Mrs S and her family were out of their home for much longer than needed. And during that time, they have experienced significant distress and inconvenience outlined above. For that, I think a total of £3,500 compensation is a fair and reasonable amount. So, without further evidence, that's what I'm likely to require Fairmead to pay.*

*I also agree with our investigator's finding that Fairmead should take control over the outstanding snagging issues. Ultimately it is Fairmead as the insurer that needs to take ownership and resolve this claim – it shouldn't be left to Mrs S and Mr S to sort. It's feasible that the longer Mrs S and Mr S are tasked with trying to resolve their own claim, the longer they'll continue to suffer distress and inconvenience. For clarity, if the following things remain unresolved, Fairmead needs to take ownership and control of rectifying and resolving:*

- *Removal of a concrete slab*
- *Work to the burglar alarm*
- *Fixing the outside light*
- *Replacing the loft insulation*
- *Repairing/replacing the loft hatch*
- *Rectification to the front door*

I recommended that to put things right, Fairmead needed to:

- *Pay Mrs S and Mr S a total of £3,500 compensation for the distress and inconvenience caused.*
- *Take control over and rectify the outstanding issues set out above.*

Mrs and Mr S replied saying they were disappointed that the compensation was less than what our investigator recommended. But, ultimately they said they accepted the decision set out above.

Fairmead also accepted the recommendations set out in my provisional 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.

My provisional decision set out above explains reasoning and redress to put this complaint right. Because both parties have agreed to its recommendations, I see no reason to depart from either its findings or outcome.

### **My final decision**

My final decision is that I uphold this complaint. To put things right, I require Fairmead Insurance Limited to:

- Pay Mrs S and Mr S a total of £3,500 compensation for the distress and inconvenience caused.
- Take control over and rectify the outstanding issues set out above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs S and Mr S to accept or reject my decision before 24 April 2023.

Joe Thornley  
**Ombudsman**