

The complaint

Mr and Mrs F complain about the inconvenience and distress they experienced because U K Insurance Limited (UKI) failed to progress their claim.

Mr and Mrs F had buildings insurance with UKI in joint names. For ease of reading, I'll refer only to Mr F throughout my decision.

What happened

In February 2022, Mr F claimed under his policy after a storm caused his tree to fall onto his roof. UKI accepted the claim and the garden element of it was settled within a reasonable time. But the buildings claim didn't progress meaningfully. Mr F brought his complaint about the delay to us.

We upheld his complaint, instructing UKI to progress the claim and pay £275 compensation for the delay repairing the hole in his roof. The compensation addressed events leading up to 13 July 2022.

Mr F raised a second complaint because UKI didn't progress his claim and he continued to experience distress and inconvenience because of the hole in his roof. He said the damage got worse because of the delays and he was concerned about the continued exposure to damaged asbestos.

UKI didn't respond to Mr F's concerns for several months. But, after he brought his second complaint to us, UKI cash settled Mr F's claim in full. It also issued a final response in February 2023 in which UKI confirmed it would pay Mr F £300 compensation for its delays.

Our investigator didn't think it was enough and after some discussion with both Mr F and UKI, she proposed a total payment of £750. Neither UKI nor Mr F agreed with the amount. UKI thought £500 was sufficient while Mr F asked for £2,000. So the complaint was passed to me to decide.

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.

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Having done so, I've decided to uphold Mr F's complaint for broadly the same reasons as our investigator.

Both parties are aware of the circumstances of this complaint, so I've only touched on them briefly above. Because UKI has now settled the claim in full, I'll focus on the compensation which is the only outstanding element of dispute.

To be clear, I've considered the following points when deciding whether UKI's offer of £300

compensation is enough in the circumstances:

- The additional and avoidable distress, inconvenience and concern regarding the continued exposure to damaged asbestos.
- The additional and avoidable inconvenience and further damage resulting from UKI's failure to repair the roof.
- The failure to progress the claim despite agreeing to do so.
- The additional work required on Mr F's part to update quotes for the repairs.
- UKI's failure to respond to Mr F's contacts on numerous occasions.

I've also considered UKI's agreement to increase the compensation from £300 to £500, along with its decision not to seek repayment of £138 which it paid Mr F in error when settling his claim.

The nature of the shortfalls doesn't seem to be in dispute, so the issue that remains is the amount of compensation.

I've thought about Mr F's request for £2,000. Having considered his description of the concern this matter caused him and Mrs F, it's evident and understandable that he's taking into consideration everything from the start of his claim. My consideration of these issues is limited to the period *after* 13 July 2022, which is the cut off point for Mr F's first complaint, until 20 February 2023, which is the date of UKI's final response to his second complaint. The compensation isn't intended to address any concerns he has about the possibility of future problems. With this in mind, I've decided not to increase the compensation to £2,000.

UKI thinks its increased offer of £500 is enough and expressed concern that the proposal of £750 takes into consideration an issue resolved in the first complaint. I've looked through the evidence on both complaints to ensure there's no overlap in consideration. I've been clear in my decision, here, that I'm only looking at Mr F's complaint about matters which haven't been addressed in the first complaint because they took place after UKI's final response in July 2022.

The evidence shows that UKI failed to progress the claim for a further six months, unnecessarily prolonging the time Mr F had a damaged roof, exposed damaged asbestos, and essentially ignoring his contacts leaving him with no indication of how or when the claim would be settled. Therefore, I think its original offer of £300, and the uplift to £500 was insufficient. When taking into consideration that UKI has also given Mr F £138 in error, I'm satisfied that our investigator's recommendation of £750 compensation is fair and reasonable in the circumstances.

My final decision

For the reasons given above, my final decision is that I uphold Mr and Mrs F's complaint and U K Insurance Limited must:

- pay Mr and Mrs F £750 compensation in recognition of the delay settling their claim, the failure to communicate effectively with them, and the concerns they had about the continued exposure to the damaged asbestos roof.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs F and Mr F to accept or reject my decision before 10 July 2023.

Debra Vaughan
Ombudsman