

## The complaint

Mr C complains about the worry and distress he's been caused by his home insurer, Fairmead Insurance Limited's slow progress with his claim for flood damage to his home. References to Fairmead include its agents.

## What happened

I set out the background to the complaint within my provisional decision and also here.

*'Mr C's cellar was flooded after a storm in May 2019. He said Fairmead's slow response over a three-year period has meant he has been deprived of its use and due to the claim remaining open he was unable to insure his home for a period of time. Mr C has described a number of problems that occurred with his claim, the effect of which was to delay progress.*

*Fairmead appointed loss adjusters to manage the claim and they appointed contractors to dry out the cellar, dispose of the contents and make the repairs and redecorate. The boiler was found to be the cause of the water damage and the repairs began in July 2019 after the boiler had been repaired.*

*The contractors turned off the drying equipment in the cellar in September 2019 and were meant to dispose of the contents. Mr C said they caused confusion by proposing this before listing and valuing the contents. Mr C then postponed removal due to concerns about covid infection. The work was completed in July 2019. Mr C said he made many contacts with Fairmead and its agents to get the repairs and redecoration under way. He said he was engaged continuously from May 2019 until February 2022 trying to progress the claim.*

*In February 2021 the loss adjusters told Mr C that he had to pay for tanking and not to do so would mean the refurbishment couldn't take place. Alternatively he could accept a cash settlement. Mr C asked for an explanation of the reason for this and why the decision was arrived at so long after the made the claim. Mr C and advertised the work in March 2021. It took until March 2022 for Mr C to get a quote and the payment was agreed that month.*

*Fairmead's agents said it took some while into the claim to know that the walls had remained damp, and tanking was needed. It said tanking isn't covered by Mr C's policy. Mr C didn't accept that access had been gained to determine this and thought it was a lie to cover up a mistake. He said while checking the work required, he was told the job had been cancelled.*

*In January 2022 Mr C said the loss adjuster sent an ultimatum that as he hadn't answered their previous email it would be assumed he had abandoned his claim, and he should choose an option. Mr C said the loss adjuster was aware he was bereaved he considered this to be a malicious attack and an abuse of his authority. Mr C told the loss adjuster he couldn't take an option without knowing the cost.*

*Mr C brought complaints to Fairmead. He said his cellar was dried by the contractor, but it didn't remove his contents for months and spoilt papers that had been soaked. He said the repairer found the cellar was still wet when they arrived to continue the claim work.*

*In its response to his complaint Fairmead said it had been difficult to deal with the claim for various reasons. Fairmead paid Mr C £100 compensation. Mr C wasn't satisfied with Fairmead's response to his complaint and referred it to our service.*

*Our investigator recommended the complaint be upheld. She said the flood was caused by the boiler, which wasn't an insured item. She said the claim was impacted by some factors that were outside Fairmead's control, such as the covid restrictions and the personal loss and illness Mr C suffered.*

*The investigator said Mr C called Fairmead many times for updates. She said its agents couldn't start the work as the cellar required 'tanking' and this wasn't covered by the policy. Mr C agreed a cash settlement, which Fairmead uplifted by 20% in July 2021 and offered £100 compensation for his inconvenience. She set out a timeline showing gaps in the communication with Mr C and recommended Fairmead pay £300 further compensation. She said she had only taken account of events before Fairmead's response of 22 February 2022.*

*Mr C disagreed with the investigator and said his complaint merited £800 compensation. He said his boiler wasn't repaired; repairs began when the water in the cellar was drained. Mr C said he had no health problems until after the review period in May 2022. He said his failure to respond to an email about which option he wanted to take about his claim in December 2021 and the new year, didn't delay or prevent Fairmead's agents from doing anything.*

*Mr C said the 20% uplift provided by Fairmead to the cash settlement allowed for inflation due to the delayed settlement. He said the £100 compensation was offered to him and declined. He said the responsibility of Fairmead had been minimised by the investigator.*

*Mr C said the compensation can't be fair as the investigator repeatedly exonerated Fairmead and reduced the award for fictitious reasons which she knew were untrue, such as a handful of emails unanswered. He said this bore no relation to the continual mismanagement he had to cope with for years. He said the compensation doesn't follow our guidance.*

*Fairmead agreed the compensation recommended by the investigator, but said its offer of compensation was due to the tanking not being explained properly to Mr C, not about delays or non-communication, which it didn't consider to be an issue. Fairmead said that Mr C had been difficult to deal with throughout and hadn't responded for long periods, but it had taken all steps to try and assist him. The complaint has been referred for me to provide a decision.'*

## **My provisional findings and the parties' responses**

In my provisional findings I said I intended to uphold the complaint.

There are no remaining issues with the claim, but the time it took caused stress to Mr C. He has made a separate complaint about the payment of contractors which I haven't considered here. I have only considered Mr C's claim on his building insurance not his contents cover. I have thought about whether there has been poor service by Fairmead and if so what the fair and reasonable compensation should be.

Mr C has described his claim as falling into three phases and provided a lot of detail about what took place. The last phase runs from the date of Fairmead's final response to his complaint, and so this can be the subject of a separate complaint if Mr C so wishes. I have considered events from May 2019 to February 2022.

From the timeline of the claim I could see that there were periods when progress was outside of Fairmead's control, including delays resulting from the Covid restrictions, but more periods when Fairmead and its agents caused the delays. I thought the investigator had

shown there was fault on both sides, but the greater fault lay with Fairmead and its agents. The disagreement with Mr C concerns the assessment of his contribution to the delays.

Mr C said the investigator didn't get the facts right and minimised Fairmead's responsibility. He said she referred to his contractors although he didn't have any, and to covid restrictions, but these didn't prevent Fairmead from acting. He said the investigator inaccurately referred to his health as a factor in the delays, but he said he had been in good health throughout the period May 2019 to February 2022.

I accepted what Mr C said about not using contractors in the period. But I didn't agree about the covid restrictions having no effect on his claim as all major claims were affected by covid in this period. And Mr C acknowledged that he delayed the removal of his contents for two months because of covid and this may also have affected the time it took him to get a quote for the tanking work. I agreed with Mr C's point that Fairmead delayed the start of the work.

Mr C suffered ill health in May 2022, and I accepted that this was outside of the period of his complaint and that the work on his home continued during this time. He was bereaved during the claim and was unresponsive to communications for a few weeks.

Mr C said the loss adjusters abused their authority, made a malicious attack and sent him an ultimatum, and Fairmead lied to him. He said the loss adjuster made a false excuse for the delay in notifying the tanking requirement and its contractor refused to communicate with him and threatened to close his file. Fairmead said it tried to assist Mr C, but found him difficult to deal with. I thought Mr C's comments exaggerated communications that had become strained but weren't out with what I regularly see in similarly tense claim situations.

Fairmead acknowledged that its agents caused delays. I could see occasions when Mr C asked for information or an update that wasn't provided promptly, or at all. And he made many calls to Fairmead's agents and sent complaint letters for which he received no response. There were also a few emails sent to him by Fairmead's agents which he didn't respond to and many requests for him to select which option he wanted his claim to follow.

I saw some delays and poor communications by Fairmead, particularly the time taken to identify that Mr C's cellar was still damp, but I could also see Fairmead's point that it tried to assist Mr C. I thought this would have been more effective if it had exercised better control of its agents and contractors and ensured that they provided information to Mr C. I also saw gaps in the communication from Mr C and his delay of the removal of his contents, and in obtaining a quote for the tanking work, which took nearly a year, but I thought these were outweighed by Fairmead's delayed or non-responses to his requests for updates.

Mr C described the frustration and difficulties he's been caused by the poor service he received. Overall and in consideration of the available information and timeline, I thought that Mr C should receive a total of £600 compensation (including the £100 previously offered by Fairmead) for the impact Fairmead's delays and poor communications had on him, particularly the prolonged disruption to his life. I also said that if it hasn't already, Fairmead should make the payment for the 20% uplift of Mr C's costs that it previously offered.

Fairmead said it would accept the provisional decision, but Mr C didn't respond.

### **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 looked again at the issues associated with Mr C's complaint, and considering the lack of substantive response, I see no reason to change the findings that I reached last month. I remain of the view that Fairmead is responsible for the greater part of the delays and that these were mainly due to its agents' failures to progress the claim.

I also remain of the view that Fairmead and its agents communicated very poorly with Mr C, and this caused him uncertainty and unnecessary stress about the repairs and timeline for his claim.

Having thought about the impact of the delays and poor communication on Mr C again, I remain of the view that the fair outcome would be for Fairmead to pay him a total of £600 compensation for the distress and inconvenience he has been caused.

### **My final decision**

For the reasons I have given above and in my provisional decision the complaint is upheld. I require Fairmead Insurance Limited to pay Mr C total compensation of £600.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr C to accept or reject my decision before 14 June 2023.

Andrew Fraser  
**Ombudsman**