

The complaint

Mr W has complained about The National Farmers' Union Mutual Insurance Society Limited (NFU). He isn't happy about the way it has dealt with a claim under his buildings insurance policy.

For ease of reading, any reference to NFU includes its agents and I will only refer to Mr W, as opposed to his representative, throughout this decision.

What happened

Mr W has had an ongoing subsidence problem at his property for a number of years and raised a complaint with this Service previously. As both sides are aware the issues considered and advanced under that complaint will not be broached here as they have already been considered and decided upon in full by final decision in May 2022.

However, Mr W raised further concerns (including delay and appointment of a new loss adjuster) and it was decided that these issues could be considered here. This was because these issues were clearly different to the original complaint and centred around the continued delay, appointment of a loss adjuster and the deterioration in Mr W's property which NFU accepted. While this complaint has been with this Service it has been clarified that no aspect of the previous complaint is under consideration here. And the further issues Mr W has raised here are distinct and that any issues or concerns Mr W has raised which cross over can't be considered.

When our investigator looked into things for Mr W she clearly outlined what issues were under consideration and she partly upheld Mr W's complaint. She focussed on three elements (delays in finalising the claim, the appointment of a new loss adjuster and the deterioration of the property). And she thought, even though some of the continued delays were inevitable given the complexity of the claim and the breakdown in relations between the two sides, that Mr W should be paid £300 by way of compensation for some of the delays.

However, our investigator didn't think NFU had acted unreasonably by appointing a new loss adjuster and carrying out further visits at Mr W's property as she thought there would be a need for them to familiarise themselves with the required work and the claim. And she highlighted that NFU are responsible for any damage caused by the subsidence including any damage whilst the claim has been ongoing. But she did highlight that NFU had already paid Mr W a payment in relation to the storage of property and alternative accommodation.

As Mr W didn't agree with the position outlined by our investigator the matter has been passed to me for review.

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 can understand Mr W's frustration about this claim, especially as it has been so drawn out and complicated. But as has been clearly outlined this complaint will solely focus on the issues Mr W has faced since February 2022 up until Mr W raised these complaints with this Service - specifically the delays in finalising the claim, the appointment of a new loss adjuster and the deterioration of the property.

For ease I've broken down the complaint in line with the sub-headings our investigator used.

Delays in finalising the claim

The final decision in May 2022 addressed the handling of Mr W's claim and surrounding issues up to February 2022, so I've reviewed matters since then up until Mr W raised his complaint with this Service.

Understandably, not much happened between February 2022 up until the final decision in May 2022 as the progress of the claim was under consideration. However, once the decision was finalised there were impacting factors in how the claim was advanced. The loss adjuster from that period said it had exhausted all its network of contractors and said it couldn't help with the claim any further.

Obviously this complicated matters and NFU had to appoint a new loss adjuster and although there was a slight delay they were appointed in July 2022. The new loss adjuster wanted to arrange a visit to get a clear understanding of the works required and although this was initially refused by Mr W this went ahead in September 2022. A scope of works was drawn up and all parties agreed the intended works in October 2022 and the scope was sent out to tender. Unfortunately, a number of contractors declined the work, and the loss adjuster widened the search to include contractors out of area without success. And it was agreed that Mr W could get his own contractor to quote in November 2022, but the quote wasn't in the agreed format.

Eventually a contractor was found by the new loss adjuster who was prepared to undertake the work. But Mr W said his contractor was willing to do the works and felt NFU had caused delay by not appointing them. But the appointment of Mr W's own contractor was further complicated by the fact that they weren't known to the loss adjuster, and they weren't in the loss adjuster's network of contractors so they couldn't guarantee the works. Given this I don't think the loss adjuster or NFU acted unreasonably in not appointing Mr W's contractor. So, I don't think this contributed to the overall delay that was caused by the difficulty in appointing a contractor.

As our investigator explained we can only ask NFU to pay compensation for unnecessary and avoidable delays. And looking only at the period of time this complaint covers a lot of the delay was caused by the complexity of the large claim, the remoteness of the property, the strained relationship between all the parties concerned amongst other things. And given this, and the contribution by both sides to some of the delay, I agree that £300 by way of compensation from NFU for the delays it contributed to feels fair

Appointing a new loss adjuster

I know Mr W feels that NFU acted unreasonably when it appointed the new loss adjuster and further visits to the property were undertaken. But while I can understand Mr W's frustration I don't think there was anything else NFU could do about this once the breakdown in relations occurred with the original loss adjuster who felt they had exhausted all their network in trying to advance the claim. I know Mr W feels the first loss adjuster should have proceeded but given they had pulled out I don't think NFU had any other option here.

As the original loss adjuster was no longer able to help with the claim I agree that appointing the second loss adjuster was the only reasonable way forward. And I wouldn't expect a loss adjuster to advance a complex claim like this without undertaking a site visit first. I know Mr W feels the new loss adjuster should also have had a contractor ready. But I wouldn't expect

that to be the case, especially given the difficulties the first loss adjuster faced, and the new loss adjuster would have to consider the complexities of the claim in the first instance. As such, I don't think the second loss adjusters visit to Mr W's property to familiarise themselves with the claim and layout of the property was unreasonable.

Deterioration of the property

This isn't a straightforward issue in a claim like Mr W's. And in the main I would expect NFU to look to put right the damage caused by the subsidence which includes any further damage caused whilst the claim has been ongoing.

I can see Mr W has raised concerns about some damage caused due to the deterioration. However, as I understand it, NFU provided costs for storage, and it isn't fully clear why these haven't been utilised although Mr W has suggested that not all items could be stored. But I would expect Mr W to mitigate his position here and ensure items were stored in a way so as to prevent ongoing damage as NFU paid him for this. So, although I expect any ongoing damage caused by the subsidence to be considered by NFU I must highlight that Mr W should have mitigated his position here.

I also understand Mr W has raised concerns that the property condition was poor which is an understandable consequence of this ongoing claim. But there has been a settlement already in relation to alternative accommodation (AA) which was substantial so there isn't any need for anyone to be living at the property, so the impact here has been limited by NFU's settlement for AA until the claim is finalised.

While this matter has been awaiting consideration there have been a few developments and I understand Mr W was weighing up whether to proceed with a cash-in-lieu settlement or proceed with the contractor that the new loss adjuster was able to identify now. This is purely a matter for Mr W to decide and advance and given the ongoing difficulties with this claim and the breakdown in communications and trust it maybe that the cash-in-lieu settlement (so Mr W can advance the claim with his own contractor) would be pragmatic and beneficial. And I note this would allow Mr W to advance a potential government grant in relation to his heating, insulation and other areas of work that would be beneficial to him going forward at the same time. But I note that NFU was happy to proceed with its approved contractor, so this is simply a matter for Mr W to decide.

Finally, if there are any outstanding issues then Mr W is free to advance a further complaint to NFU for consideration. But I'm glad to see the claim has moved forward, and an approved contractor was eventually found. Although it is clear that NFU were trying to act within the spirit of the previous final decision it is clear that some delays were attributable to NFU, and I agree it should pay £300 compensation in acknowledgement of this. I know Mr W will not be happy about this but most of the additional points he has raised sit outside of what can be considered as part of this complaint, but it is good that both sides have now found a way to bring this claim to a close.

My final decision

It follows, for the reasons given above, that this complaint should be partly upheld. I require The National Farmers' Union Mutual Insurance Society Limited to pay Mr W £300 compensation.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr W to accept or reject my decision before 21 February 2024.

Colin Keegan
Ombudsman