

The complaint

The estate of Mrs M complains about UK Insurance Limited trading as NatWest Insurance (UKI) handling of a subsidence claim on a home insurance policy.

Any reference to UKI includes respective agents. Mr M represents the estate of the late Mrs M so for ease I'll refer to Mr M.

What happened

The background of this complaint is well known to both parties. So, I'll summarise the key points I've focused on within my decision.

- In May 2020, the executors of the late Mrs M made a claim on her policy for subsidence that was discovered at the property after her passing.
- Mr M has made a complaint to UKI in August 2022 as he was unhappy with the delays in the investigation of the subsidence and the poor communication.
- UKI issued its final response letter to the complaint in September 2022 – accepting there had been unacceptable delays and poor service and this had also extended into the repair stage. It awarded Mr M £350 compensation.
- Mr M remained unhappy, so brought his complaint to our service he just wants the repairs done. He has moved into his late mother's property as the estate has now passed to him following the passing of his late brother who was the other executor of their mother's estate. Mr M has explained the impact of the delays and that he is living in difficult conditions.
- Our investigator didn't uphold the complaint. He explained he was unable to consider if the offer of compensation UKI awarded was fair or not as he explained our service is unable to award compensation to executors personally, as they only represent an estate.
- Mr M felt this was unfair in the circumstances as he now says he is the property owner since the passing of his late brother. So, the complaint has been passed to me, an Ombudsman to make a final decision.
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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.

In making my decision I need to consider what's fair and reasonable in all the circumstances of the case, taking into account relevant law and regulations; regulators' rules, guidance and standards; codes of practice; and (where appropriate) what I consider to have been good industry practice at the time.

The relevant industry rules and guidance say insurers must deal with claims promptly and fairly, provide reasonable guidance to help a policyholder make a claim and appropriate

information on its progress; and not to unreasonably reject a claim. Insurers should settle claims promptly once settlement terms are agreed.

It isn't in dispute that Mr M has received poor service and delays in the handling of the claim for subsidence at the property of his late mother. I can see UKI has addressed this in their final response letter and issued Mr M £350 compensation. At this service if we find a business has made errors and caused delays our normal approach would be to see if compensation is due and if it has already made an offer then we would consider if the offer was fair and reasonable. However, we can't award compensation to an executor as they are acting for the estate not in a personal capacity. I'm therefore unable to comment on the fairness of the amount that has been paid by UKI in these circumstances. I say this as the award was for him as an individual, not to the estate itself.

I appreciate Mr M feels that this is unfair as since the passing of his late brother he has inherited the property in its entirety. However, Mr M has not provided evidence showing that the property is now legally in his sole name and when the complaint was brought to this Service, Mr M was bringing it as an executor of his late mother's estate. I'm therefore unable to make any further award or comment if the award UKI has issued is fair. This is because I'm satisfied the handling of the matter all relates to NatWest dealing with Mr M as an executor of the estate, not as a policyholder as the policy still was in the name of the late Mrs M.

I can empathise with the frustration Mr M feels with the delays and I would remind UKI of their duty to progress the claim promptly and to keep Mr M up to date with progress.

My final decision

For the reasons given above, I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask the estate of Mrs M to accept or reject my decision before 8 May 2024.

Angela Casey
Ombudsman