

## **The complaint**

Mr and Mrs C complain about Advantage Insurance Company Limited's ["Advantage"] poor communication, claim handling and delays following a claim they made on their buildings insurance policy for the damage caused by an escape of water.

## **What happened**

Mrs C has led the complaint with this Service so I've referred to her mainly throughout. References I make to her actions also include those of her husband.

Advantage is the underwriter of the policy, i.e. it's the insurer. Part of this complaint concerns the actions of its agents for which it has accepted responsibility. Any reference I make to Advantage includes the actions of its agents.

The background to this complaint is well known to the parties, so I've provided a summary here.

- Mrs C owns a property insured under a buildings insurance policy underwritten by Advantage.
- There were a number of leaks from two bathrooms at Mrs C's property. She contacted Advantage to make a claim on her policy. Advantage accepted the claim and appointed specialist agents to manage it. Remedial work was agreed and due to the nature of the work, a bathroom pod and alternative accommodation ("AA") were offered to Mrs H.
- There were delay issues with the availability of the bathroom pod and alternative accommodation. Advantage says Mrs H declined the AA it found as she didn't consider it suitable and she said she might be able to stay with family instead if a payment could be made to them. Advantage let her know about the standard disturbance allowance of £10 per adult and £5 per child per day but Mrs H declined this and said she'd wait for suitable AA instead.
- After some further back and forth about AA, Advantage increased its disturbance allowance offer. Eventually Advantage did source a hotel but Mrs H decided this wouldn't be sufficiently convenient due to its location. She accepted the disturbance allowance offer in lieu of this. There were problems with the payment of this to Mrs C and confusion over the amount. Mrs C complained to Advantage about this and Advantage's claim handling and delays.
- Advantage issued a final response to the complaint. It accepted there had been delays and some confusion over the payment for the alternative accommodation. But overall, it said the claim had been handled reasonably quickly. It also accepted its agent hadn't taken account of Mrs C's family's personal circumstances sufficiently. It offered £200 compensation by way of apology.
- Mrs C raised a complaint with this Service. Our Investigator considered the evidence

but didn't uphold the complaint. Mrs C asked an Ombudsman to make a 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 role as an Ombudsman at this Service requires me to say how complaints should be solved quickly and with minimal formality. To do this, I will focus on what I consider to be the crux of the complaint and may not comment on everything the parties have said. But I can confirm I have considered all the evidence and comments they've submitted even if I don't reference them specifically.
- Inevitably, incidences of damage following an escape of water are stressful for policyholders to deal with and the remedial work associated with a claim will take time. Insurers are under an obligation to handle claims promptly and fairly and I'll be keeping this in mind while undertaking my review, together with what I consider to be fair and reasonable.
- I note from Advantage's final response, it has acknowledged some poor communication, problems with the payment of the disturbance allowance and insufficient consideration of Mrs C's family's personal circumstances. I agree with this and can see how it's contributed to delays on the claim and the stress and inconvenience Mrs C experienced.
- Having carefully considered the file, I can see that Mrs C did have to chase Advantage on regular occasions to push for progress on the claim and chase up outstanding issues and it's clear from the frequency of her contact – sometimes, several times a day – she was frustrated with Advantage's claims handling. I think Advantage should have done a much better job here.
- I've seen Advantage offered a bathroom pod to Mrs C within a few days of the claim being reported but she declined this due to the lead times for availability. Instead, she said she would prefer to take the disturbance allowance option. I'm satisfied the offer of a bathroom pod was made in good time and the disturbance allowance offered in lieu of this was broadly in line with industry standard rates and in keeping with what this Service would expect.
- Then a few weeks later Mrs C told Advantage she would like a bathroom pod after all but Advantage explained there were none available at that stage. Mrs C asked about alternative accommodation but when none was available Advantage increased its disturbance allowance offer significantly.
- Advantage did make further attempts at finding alternative accommodation but Mrs C considered the offer of a hotel to be too much upheaval for her family. Sometime later, a house was found but Mrs C instead accepted Advantage's disturbance allowance settlement.
- There was confusion over the total amount payable under this allowance and there were delays in the payment being made. Again, Mrs C had to chase Advantage to resolve the issue and ensure it was paid. I can see how this would have caused Mrs C further stress and inconvenience.
- While Advantage did handle some aspects of the claim as I would expect, I'm not satisfied it consistently provided the service it should have done through this claim

and because of this it caused Mrs C distress and inconvenience.

- I've thought about everything very carefully and taken into account all that the parties have said. And having done so, I'm satisfied the £200 already paid by Advantage is an appropriate way for it to recognise its poor claim handling and delays. I recognise Mrs C doesn't think this is enough, but I'm satisfied it is fair and reasonable in all the circumstances.

### **My final decision**

My final decision is that I don't uphold this complaint.

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

Paul Phillips  
**Ombudsman**