

The complaint

Mr and Mrs B are unhappy with The National Farmers' Union Mutual Insurance Society Limited's (NFU) handling of a claim made under their home and lifestyle insurance policy.

What happened

Mr and Mrs B have a home and lifestyle insurance policy underwritten by NFU. In November 2021 there was a fire in Mr and Mrs B's garage which caused significant damage to it. A claim was made to NFU.

As Mr and Mrs B were unhappy with how their claim was being handled, they made complaints to NFU. Across the complaints, NFU offered £750 compensation. As Mr and Mrs B were unhappy with this, they brought a complaint to this service.

That complaint was considered by one of our investigators. They considered what had happened since the claim was made and issued their assessment on 31 October 2022. In this they didn't recommend NFU do anything further as they thought the £750 compensation already offered was fair.

The claim continued after this point. And Mr and Mrs B raised a further complaint with NFU about how the ongoing claim was being handled.

In May 2023 NFU issued a final response in which they offered £650 compensation (which was increased from a previous offer of £500). As Mr and Mrs B remained unhappy, they brought that new complaint to this service.

Our investigator considered what had happened between the last complaint considered by this service and NFU's latest final response dated 31 May 2023. She recognised the service had been poor, but she felt that the compensation already offered was fair, so she didn't recommend NFU do anything further.

Mr and Mrs B didn't agree and asked for a final decision from an ombudsman.

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.

As explained to Mr and Mrs B by our investigator, my consideration here is limited to the period October 2022 to when NFU issued their final response on 31 May 2023. Whilst I appreciate Mr and Mrs B's claim has been ongoing since it was made in November 2021, for events that occurred before the period I've outlined, this service has already considered that complaint separately. Therefore, I won't be considering what happened during that period again.

Mr and Mrs B also made this service aware of ongoing and new issues more recently. But as explained by our investigator, they'd need to raise any new issues which occurred after 31 May 2023 with NFU in the first instance, as the period for this complaint we are considering is October 2022 to 31 May 2023.

I don't intend on commenting on every event or communication that occurred during this time. I don't mean this as a discourtesy to either party, instead it reflects the informal nature of this service, and my role in it. And both parties are already aware of what happened during the claim and period which I'm considering, and what happened isn't in dispute.

NFU already accepts the service they provided fell short. There has been poor communication, delays and poor claims handling and management. This is why they offered £650 compensation (which was increased from an earlier offer of £500).

A considerable amount of the delays have been caused by scaffolding being put in place for the render works first rather than the works to the roof being completed first. This caused delays as the render required the correct weather in order for it to be completed. And until this was completed, the roof couldn't be started due to the scaffolding being in the place it was. However, NFU recognise there was no reason for the works to be carried out in this order, and the delay this caused could have been avoided if the roof works were completed first.

Mr and Mrs B have needed to continually contact NFU, and others involved in the claim, to try to keep things moving, suggesting steps to be taken whilst suffering poor communication from those involved in the claim. NFU agrees the service they have provided fell short, there have been unnecessary delays, and a lack of progress on the claim.

I do acknowledge that Mr and Mrs B feel that further compensation is due to them. They've suggested around £5,000 for everything that has happened since making their claim in November 2021. However, whilst I appreciate it will come as a disappointment to Mr and Mrs B, for the period I'm considering and what happened during that time, I do think the £650 already offered by NFU is fair and reasonable in all the circumstances. Therefore, I won't be directing NFU to increase this amount for the period I'm considering here.

My final decision

The National Farmers' Union Mutual Insurance Society Limited has already made an offer to pay £650 to settle the complaint and I think this offer is fair in all the circumstances.

So, my decision is that The National Farmers' Union Mutual Insurance Society Limited should pay the £650 compensation offered, if it hasn't already done so.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr and Mrs B to accept or reject my decision before 8 December 2023.

Callum Milne
Ombudsman