

The complaint

Mr C has complained about the service provided by esure Insurance Limited ('esure') regarding his claim for flood damage under his home insurance policy. For the avoidance of doubt, the term 'esure' includes its agents, contractors, and representatives for the purposes of this decision.

What happened

Mr C's home was unfortunately flooded in December 2022 due to a burst pipe which occurred while he was on holiday. He claimed for the damage under his home insurance policy. esure accepted the claim, however Mr C was unhappy that there had been delays in processing the claim and in repairing the damage. esure acknowledged that there had been unacceptable delays and initially offered him £200 in compensation and then £250.

Mr C was unhappy with the amount of compensation offered and referred his complaint to this service. Mr C informed the relevant investigator that the repairs had still not been carried out at the time of his complaint. The relevant investigator upheld Mr C's complaint and recommended the esure pay him compensation of £600.

esure disagreed with the investigator's view and considered £600 compensation to be too high. Mr C considered it to be too low. In the circumstances, the matter has been referred to me to make a final decision in my role as 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.

The key issue for me to determine is whether the service provided by esure to Mr C in relation to his claim under the relevant insurance policy was fair and reasonable. I don't consider that it was fair and reasonable in all respects. In considering this matter, I've also had regard to the submissions of the parties as summarised below.

Mr C explained the circumstances of the claim and that a pipe had burst in the loft, causing extensive flooding to his home. He managed to stop the flowing water by repairing the burst pipe joint, but there was no electricity as it had been tripped by the flooding. He said that several rooms in his house had been affected. Mr C said that he'd since remained in the house continuously, including during the drying out process, *'with dehumidifiers running 24 hrs.'* He said that most floor coverings had been removed and that his home had been like this since December 2022. He also said that the plaster has de-bonded in affected rooms.

In terms of the impact of the claims process, Mr C said he'd had to pay for high energy usage due to the drying out process and loss of contents. He thought that nine months to process a claim was excessive and he said that the person in charge of the claim didn't contact him for over five weeks. Mr C said that when he'd asked for temporary accommodation, esure had said that this was too expensive, even though he was asking for a one-bedroom flat, whilst his house was a bungalow. In conclusion, Mr C said that, *'I would*

like my house sorted and all monies repaid.’ He considered that the compensation offered by esure had been insulting considering the turmoil he and his partner had been through.

I now turn to esure’s submissions regarding this matter. It said that Mr C had been content to remain at the house during the claims process and admitted to unplugging machines due to concerns over electricity costs as a result, *‘which obviously delayed this process’*. It acknowledged however that it could have done more to advise Mr C that it would cover these additional electricity costs as part of the claim. esure also acknowledged that there had been a lack of real progress in the claim from February 2023 to April 2023, and also that there had been failed visits when these had been scheduled. It considered that when its agent changed claims handler that matters had then progressed.

I’ve also carefully considered esure’s case notes. These demonstrate that Mr C had regularly raised his concerns with esure about delays. They also show that the property was drying more slowly than would be expected and in March 2023, it was identified that Mr C had been turning off the drying machines as he couldn’t afford the electricity costs.

I now turn to the reasoning for my decision to uphold Mr C’s complaint. I note that esure has fairly and reasonably accepted that it was responsible for unnecessary delays and a lack of communication. It also fairly accepted that its agents should have done more to help and advise Mr C, particularly with regard to the point that it would cover excess electricity costs. It was clearly necessary to keep drying equipment on at all times in order to successfully complete that part of the process. I also note from the case notes that the claims process had caused some confusion.

In the circumstances, I’m satisfied that due to a combination of factors, there had been considerable delay in esure and its agents progressing this claim. Whilst I appreciate that Mr C switching off drying machines will have caused some of the delay and confusion, I consider that the majority of the delays were caused by the lack of response by esure’s agents and their general lack of communication and advice to Mr C. I consider that these unnecessary delays continued for a period of at least two months up until August 2023 which is the time-scale covered by this particular complaint.

In conclusion, I consider that esure could have done more to diligently progress this claim up until August 2023. In the circumstances, I’m satisfied that compensation of £600 in total for the distress and inconvenience caused is well within the range of compensation this service would expect to see for delays and service failures of this nature over a period of many weeks. I also agree with the investigator that esure should reimburse Mr C for additional electricity costs which were incurred due to the drying out process. As for the alleged failure in the process of offering alternative accommodation, I’ve seen insufficient evidence from either party to be able to reach a final conclusion on the matter at this stage.

Finally, I agree with the investigator here that esure needs to diligently progress and complete any necessary outstanding works to Mr C’s home in relation to the insured event. I note that the substantive reinstatement work hadn’t commenced until nearly a year after the insured event happened.

My final decision

For the reasons given above, I uphold Mr C’s complaint and I require esure Insurance Limited to do the following in response to this complaint.

- Pay Mr C compensation of £600 in total for the distress and inconvenience caused.
- If not already reimbursed, to reimburse any additional electricity costs incurred by Mr C due to the drying process.

- Diligently progress and complete the necessary outstanding works if not already completed.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr C to accept or reject my decision before 23 February 2024.

Claire Jones
Ombudsman