

## **The complaint**

Mr and Mrs A complain about how Accredited Insurance (Europe) Ltd handled their claim on their home insurance policy.

## **What happened**

Mr and Mrs A had an escape of water in their living room and kitchen and so called Accredited on 4 April 2023 to claim on their policy. They said a plumber had identified the cause of the leak but had been unable to fix it immediately so had turned the water off at the stop cock. Mr and Mrs A told Accredited that they were also unable to use the electrics as they had been turned off as well due to water getting into them, and so asked Accredited for alternative accommodation as their home was uninhabitable.

Accredited logged the claim and agreed it sounded like Mr and Mrs A needed alternative accommodation but said it was unable to authorise it until the damage to Mr and Mrs A's home had been assessed, which could take up to a week. Mr and Mrs A arranged their own alternative accommodation and Accredited assessed the damage to Mr and Mrs A's house. Accredited agreed it was uninhabitable as Mr and Mrs A didn't have electricity and so approved the alternative accommodation.

When Accredited assessed the damage to Mr and Mrs A's home it also identified asbestos which needed to be made safe. Due to this the alternative accommodation was extended. Ultimately, it was extended until 14 July 2023, however, as Mr and Mrs A had to change alternative accommodation multiple times, and were unhappy with how the claim was progressing, they complained to Accredited. They said not all of their alternative accommodation had been paid for and asked for Accredited to cover this until 22 July 2023.

Mr and Mrs A also said the claim had been handled poorly from the start and they'd had to chase Accredited on multiple occasions. Mr and Mrs A said they'd let Accredited know they had four young children and didn't think Accredited had done enough to support them during the claim. Mr and Mrs A explained they felt as though Accredited had discriminated against them due to their ethnicity and their surname.

Accredited reviewed the complaint and didn't uphold it. It issued its final response on 15 August 2023 where it said the alternative accommodation had been authorised up until 14 July 2023, as the asbestos had been made safe. And, as the property was habitable from this point, it didn't agree to cover Mr and Mrs A's alternative accommodation until the 22 July 2023 as requested. Mr and Mrs A didn't agree with Accredited's response to their complaint and referred it here, they also let us know Accredited hadn't made payment for their claim for a new hob.

Our Investigator reviewed the complaint and recommended it be upheld. She found that by the time Mr and Mrs A had been made aware the property was habitable they were committed to pay for alternative accommodation until 22 July 2023. Because of this our Investigator didn't think it was fair that Accredited to not cover the costs until 22 July 2023 as Mr and Mrs A had only incurred these due to Accredited's poor claim handling. She also found the claim for the kitchen hob hadn't been settled and recommended Accredited settle

this as well. Finally, due to the poor claim handling and the impact on Mr and Mrs A our Investigator recommended Accredited pay Mr and Mrs A £650 compensation for the distress and inconvenience.

Mr and Mrs A accepted our Investigator's outcome but Accredited didn't, so the complaint was passed to me for a decision. Before I issued my decision, I asked our Investigator to write to Accredited and Mr and Mrs A to clarify what had been agreed and confirm whether the alternative accommodation and hob costs had been paid.

Mr and Mrs A responded and explained the alternative accommodation and hob costs still hadn't been paid and due to this the outstanding costs for the alternative accommodation was still on their credit card. Accredited responded and explained it had reviewed its position and now agreed with our Investigator's outcome.

### **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 Accredited has now agreed with our Investigator's outcome, and it's also been accepted by Mr and Mrs A, I see no reason to depart from it. However, for completeness I've reviewed Mr and Mrs A's complaint and I agree the alternative accommodation costs should be covered until 22 July 2023 for the same reasons as our Investigator. As the claim for Mr and Mrs A's hob also hasn't been settled and Accredited has agreed to settle the claim for this, I'm also satisfied that it is a fair and reasonable for Accredited to do what it has agreed and pay the claim for the hob. Finally, when taking into account Mr and Mrs A's claim journey and how Accredited has handled it. I'm also persuaded £650 is fair and reasonable compensation for the poor claim handling as both parties have agreed to this amount.

Therefore, to put things right Accredited needs to pay Mr and Mrs A's alternative accommodation costs up to and including 22 July 2023. As Mr and Mrs A have paid these on their credit card, if they've been charged any interest for this money being on their credit card then Accredited should also pay the interest charged by Mr and Mrs A's credit card provider.

In regard to the hob, Accredited needs to pay the cost of replacing Mr and Mrs A's hob and the cost of fitting it, in line with the remaining terms and conditions of the policy. Due to the unnecessary distress and inconvenience caused Accredited also needs to pay Mr and Mrs A £650 compensation.

### **My final decision**

For the reasons explained above, my final decision is that I uphold this complaint. I require Accredited Insurance (Europe) Ltd to:

1. Pay Mr and Mrs A's alternative accommodation costs up to and including 22 July 2023. Interest should be added to the amount paid, equal to the amount charged on this sum by Mr and Mrs A's credit card provider.
2. Pay the cost to replace and fit Mr and Mrs A's hob, in line with the terms and conditions of the policy.
3. Pay Mr and Mrs A £650 compensation for distress and inconvenience.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs A and Mr A to accept or reject my decision before 22 August 2024.

Alex Newman  
**Ombudsman**