

The complaint

Mrs M and Mr M are unhappy with the service provided by esure Insurance Limited (esure) following a claim made on their home insurance policy.

Mrs M and Mr M are both parties to this complaint. Mr M has primarily dealt with this service. For ease of reference I have referred to Mr M throughout this final decision.

esure is the underwriter of this policy. Part of this complaint concerns the actions of third parties instructed on the claim. esure has accepted that it is accountable for the actions of third parties instructed by it. In my decision, any reference to esure includes the actions of any third party instructed by esure during the course of Mr M's claim.

What happened

In January 2023 Mr M contacted esure to make a claim following an escape of water causing damage to his kitchen. The events following Mr M's claim are well known to both Mr M and esure. So I haven't repeated them in detail here.

In August 2023 Mr M complained to esure about the delay in dealing with his claim. esure responded to Mr M's complaint on 29 November 2023, and offered £100 in recognition of its poor service.

Unhappy with esure's handling of his claim, Mr M referred his complaint to this service for investigation. The investigator found that the service provided by esure had been poor, and that it hadn't done enough to put things right. The investigator recommended esure increase its offer of compensation to £300. esure didn't accept the investigator's findings. As the complaint couldn't be resolved, it was passed to me for 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.

I've focused my comments on what I think is relevant. If I haven't commented on any specific point, it's because I don't believe it has affected what I think is the right outcome.

It's evident that esure failed to manage Mr M's claim properly. The dispute now relates to what esure should do to put things right. I've considered what fair compensation should be for the poor customer service provided, including delays, when dealing with Mr M's claim.

Mr M's claim for escape of water was accepted, and Mr M was asked to provide quotes for repair. These were sent by Mr M around 10 March. Later that month, esure recorded that Mr M had accepted cash settlement of his claim. However Mr M called esure rejecting its offer for cash settlement, saying this hadn't been agreed. It would appear from the case notes that the agreement for cash settlement was based on a voicemail left for Mr M by esure's appointed surveyor. I think the communication with Mr M could've been better managed to ensure Mr M was clear about the agreed next steps for his claim.

On 24 March Mr M was informed esure *'would offer a 50% contribution to the replacement of the undamaged areas, materials no labour.'* This is in line with our approach to undamaged items on a claim. I'm satisfied the information provided, and service, was reasonable. Around this time, Mr M also explained the difficulties in trying to find a colour match for the damaged items. I note it was agreed Mr M *would 'get a quote for the replacement of the undamaged parts of the kitchen and the insurer will make a 50% contribution to the material cost, the ph [policyholder] is also going to see how much it would be to get the all the kitchen units resprayed the same colour.'* Mr M was also informed *'We have asked the surveyor to add the 50% contribution to the scope of works for the match of items, once this has been done, we will contact you with the new settlement figure.'*

In late April, Mr M provided further repair quotes for esure to review. Mr M chased esure for updates on his claim, and was told this was with the surveyor to review. I've seen the surveyor said esure couldn't proceed with the claim as the quotes included items that shouldn't be on there.

I'm persuaded the surveyor could've done more to review the quotes and explain why items needed to be removed. This would've allowed the claim to move forward. As a lay person, it was unreasonable for Mr M to have understood what specific information esure needed to scope out his claim correctly. I've seen that the second surveyor appointed took a more pragmatic approach in discussing Mr M's claim with him. I think this could've been done much sooner in the claims process. The impact of the poor communication with Mr M caused unnecessary delay to progression of Mr M's claim. I've also seen that Mr M's claim was incorrectly closed on the system, causing further delay in reaching Mr M to discuss his claim. I've considered the impact of this poor service when determining what fair compensation should look like.

Towards late June Mr M raised a complaint about the delay in dealing with his claim, and specifically, the service received from the surveyor. Mr M subsequently dealt with another esure approved surveyor to advise on the scope of his claim. I've seen that this surveyor made reasonable attempts to discuss the quotes sent by Mr M, and reach out directly to the kitchen suppliers referred to by Mr M to discuss the proposed scope. The scope of works was amended to reflect any updates based on discussions with third parties and Mr M. The service provided here was reasonable, and in line with what we'd expect.

By end of July, esure had all it needed to make a cash settlement offer to Mr M. However despite several calls made to Mr M, esure was unable to reach him to discuss this. I think it would've been reasonable to email Mr M about his claim. But I can't see that this was done until some weeks after a cash settlement offer was noted on the system. There was further delay on the claim as a result of esure and Mr M discussing whether the worktop would be covered, and Mr M disputing the labour costs based on the quotes he had obtained.

Although I accept that some of the claim delay was because of discussion between Mr M and esure about the scope of work that would be covered (which is a usual part of finalising a claim like Mr M's), I also think esure, at times, failed to actively manage Mr M's claim. I've seen that often several days or weeks would pass without active progression of Mr M's claim, including responding to call backs, and specific requests for repair quotes to be reviewed/ updates to be provided.

This left Mr M feeling upset and frustrated at a time that he was already feeling stressed due to the amount of time that had passed since making his claim, and repair work being incomplete. I've also seen the poor communication continued at the time of agreeing settlement, as clear information wasn't provided about deduction of Mr M's excess.

It's not disputed that a claim of this type, involving a changing scope and costs, can be subject to delays because of the level of scrutiny required to ensure decisions are in line with the policy terms. But as esure was responsible for managing the claim, it should've done more to support Mr M in completing the repairs to his kitchen in good time. It could've achieved this by taking a more pro-active approach in managing Mr M's claim, and communicating what was needed at the earliest opportunity.

When thinking about the impact on Mr M because of esure's poor service, I think payment of £300 is fair compensation in recognition of what's happened, and the impact on Mr M. I'm persuaded £300 reflects the avoidable delays, and the impact on Mr M over several months. I've carefully considered Mr M's comments about esure making payment of '*anything above £700*'. And I recognise Mr M's strength is feelings about esure's handling of his claim.

But all things considered, I'm satisfied £300 is fair, and in line with our approach. I say this because insurance claims like Mr M's can often involve a level of stress and inconvenience even when settled in line with the way we'd expect. And although esure delayed in dealing with Mr M's claim in parts, there were other parts of the claim that were managed in line with the way we'd expect. And the final scope agreed was in line with what Mr M was hoping for, and Mr M's policy terms. So overall I'm broadly satisfied £300 reflects the level of trouble and upset caused outside of what we'd usually expect for a claim like Mr M's.

Putting things right

For the reasons set out above, esure Insurance Limited is directed to pay Mrs M and Mr M total compensation of £300 (if either party has already received the compensation amount of £100 previously offered, esure is directed to pay a further £200 only).

My final decision

For the reasons provided I uphold this complaint. esure Insurance Limited must follow my directions above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr M and Mrs M to accept or reject my decision before 24 September 2024.

Neeta Karelia
Ombudsman