

## **The complaint**

Mr and Mrs R complain about the handling of a claim made under their home insurance policy with Accredited Insurance (Europe) Ltd ('Accredited').

Accredited are the underwriters of this insurance policy. Much of this complaint is about the actions of their appointed agents. As Accredited accept they're responsible for their agents' actions, in my decision, any reference to Accredited should be interpreted as also covering the actions of their appointed agents.

## **What happened**

The background to this complaint is well known to Mr and Mrs R and Accredited. In my decision I'll focus mainly on giving the reasons for reaching the outcome that I have.

During the course of a home insurance claim, Mr and Mrs R were given conflicting information about whether or not their home contained asbestos. They raised a complaint with Accredited, agreed to withdraw it and then raised the same issue again.

Mr and Mrs R then asked our Service to independently consider the complaint. We asked Accredited for their complaint file and they made an offer of £400 to settle the complaint. Our Investigator considered this a fair offer. As Mr and Mrs R rejected the offer, their complaint has been referred to me for a final 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.

Our Service is an alternative, informal dispute resolution service. Although I may not address every point raised as part of this complaint - I have considered them. This isn't intended as a discourtesy to either party – it simply reflects the informal nature of our Service.

### *The scope of my decision*

Accredited accept that they got things wrong when communicating the results of asbestos testing. Therefore, my decision will only consider if their offer of £400 goes far enough to try and recognise the impact on Mr and Mrs R and put things right.

Mr and Mrs R have provided testimony and a witness statement outlining the impact of the mistake on their family and friends. But as our Investigator has pointed out, our Service can only consider the impact on an eligible complainant. The eligible complainants here are Mr and Mrs R - arising out of having a contract of insurance with Accredited. More details can be found under the relevant DISP rule (DISP 2.7):

<https://www.handbook.fca.org.uk/handbook/DISP/2/7.html>

So, whilst I won't be considering the impact *directly* on Mr and Mrs R's family, I will consider the indirect impact on Mr and Mrs R as a result of this situation/error.

## My key findings

When considering if Accredited offer goes far enough to recognise the impact of their actions and try to put things right, I've kept in mind our published guidelines on distress and inconvenience: <https://www.financial-ombudsman.org.uk/consumers/expect/compensation-for-distress-or-inconvenience> The description for the category in which Accredited offer sits is:

*“where the impact of a mistake has caused considerable distress, upset and worry – and/or significant inconvenience and disruption that needs a lot of extra effort to sort out. Typically, the impact lasts over many weeks or months, but it could also be fair to award in this range if a mistake has a serious short-term impact.”*

I've also kept in mind the timeline of events here

- Mr and Mrs R were made aware of the incorrect information about the asbestos test being positive on 26 March and 09.51am.
- They responded at 11.27 am stating they were moving into a hotel. Accredited agreed to over this cost.
- The next day, 27 March, at 17.26pm, Accredited let Mr and Mrs R know that the test result had actually come back negative.
- Mr and Mrs R naturally queried the conflicting information and Accredited shared the results on their online portal on 28 March at 10.25am.

The time passed from the initial incorrect communication, clarification and reassurance/sharing of results was around 48 hours. I find this to be a reasonable time frame by Accredited to try and clear up their error and minimise the impact on Mr and Mrs R.

Mr and Mrs R have described in great detail the issues this incorrect result communication caused with friends and family – as they thought they'd contaminated other properties. Whilst I've no doubt this would have been a difficult time and it caused worry, I'm satisfied that Accredited tried quickly to put things right and their offer of £400 is broadly within the range of fair, reasonable and appropriate compensation - relative to the impact of this error on Mr and Mrs R.

As outlined, I won't be considering the impact on their family and I note our Investigator has signposted some useful support to Mr and Mrs R's son to help him process and move on from the impact this situation has had on his life.

Regarding the impact on Mr and Mrs R's relationships with friends, I'm satisfied that the providing of the asbestos test results should enable Mr and Mrs R to clarify any of the worry this situation will have understandably caused.

To finish, I note Mr and Mrs R's comments from 10 April 2024:

*“can we close the Asbestos complaint as settled. In good faith and being a genuine mistake due to human error. Please apologise too [sic] the young lady we were having a stressful time”*

This situation likely did arise due to human error. Unfortunately things can go wrong during the course of a claim and this can compound an already difficult time. I'm satisfied that Accredited's offer is fair. My decision will disappoint Mr and Mrs R but it brings to an end our Service's involvement in trying to informally resolve their dispute with Accredited.

**Putting things right**

Accredited Insurance (Europe) Ltd now need to (if they've not already done so) pay Mr and Mrs R £400.

**My final decision**

My final decision is that I partially uphold this complaint. Subject to Mr and Mrs R accepting my decision by the deadline set, Accredited Insurance (Europe) Ltd need to follow my direction as set out under the heading 'Putting things right'.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr R and Mrs R to accept or reject my decision before 9 January 2025.

Daniel O'Shea  
**Ombudsman**