

The complaint

Mr B complains that The National Farmers' Union Mutual Insurance Society Limited ("NFU") caused delays in its handling of a claim for subsidence damage.

What happened

In 2018, Mr B made a claim under his building insurance policy, for damage to the chimney of his Grade II listed cottage.

Following site visits and surveys it was confirmed that the damage to the chimney was caused by subsidence and NFU accepted the claim. Restoration work began and Mr B says there were numerous errors which meant work had to be done again. These included NFU ignoring listed buildings conditions before rebuilding the chimney, building the chimney in the incorrect position, not getting listed buildings sign-off as it promised, and cancelling long-awaited appointments at short notice, among other things.

Mr B says there were also many avoidable delays, which meant his property was left exposed to the elements and was dusty and cold for extended periods of time. He was unable to have visitors, including family members at his home. This caused him a considerable amount of distress and affected his mental health.

So he made a complaint to NFU about its poor handling of the claim. In its earlier response to the complaint, NFU offered £3,000 for the problems it had caused with the claim and that offer was endorsed by this service when a complaint was brought to us in 2022.

Mr B brought a further complaint about the delays in rebuilding the chimney as well as other matters, and NFU responded to this in September 2023, saying it wouldn't be offering any further compensation at that time. It said the claim was being progressed and – although it wasn't progressing as quickly as Mr B would like, it didn't believe it had caused any preventable delays.

NFU responded to a further complaint from Mr B in November 2023 – in which it offered him £100 for the distress caused by an outstanding invoice dispute, which it admitted shouldn't have involved Mr B. But it also said there hadn't been any further avoidable delays. Mr B didn't accept the offer, and referred his complaint to this service.

Our Investigator considered what had happened up to the date of the last final response letter, and thought NFU hadn't provided the level of service to Mr B during this time that he rightly expected. So it was recommended that NFU increase its offer to £500 for the distress and inconvenience caused.

Mr B didn't agree with our Investigator and said the compensation increase was derisory considering how his life had been ruined for years. He said the fireplace was now not working as well as it was before and that his mental health was in tatters from the stress of everything. He also said that he'd found out that contractors had outstanding invoices that hadn't been paid, and that he was being chased for payment of those invoices.

Mr B asked for an independent review of his complaint by an Ombudsman, so the complaint has now come to me to decide.

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.

Having done so, I've decided to uphold this complaint. I'll explain why.

Firstly, I should explain that I can only consider the events which took place from November 2022 until November 2023. I won't be commenting on events that took place between 2018 and November 2022, as those have been considered by this service under a separate complaint. And I haven't considered what's happened since November 2023 either. Anything more recent will need to be raised as a new complaint with NFU in the first instance if it hasn't already.

I've looked carefully at what happened between November 2022 and November 2023. I can see from the information provided, that a site visit had been planned for 22 November 2022. However, this didn't take place until 15 December 2022, some weeks after the initial agreed date. And during that visit, it was agreed that any works that were required would be approved without further delay. But I can see this didn't happen until late January 2023. I think things took longer than they should've, and I can't see that there was a legitimate reason for the delay. I consider the impact of this on Mr B to have been significant. I say this because Mr B was chasing NFU for updates whilst living in conditions which made everyday things very difficult for him, and whilst he was unable to enjoy the use of his home. So I think NFU should compensate Mr B for the additional delay and the frustration this caused him.

On 20 January 2023 Mr B made it clear to NFU that he wanted the work to commence as soon as possible. But it wasn't until 10 February 2023 that NFU said this was being reviewed. This constituted a further delay of three weeks, at a time when – as I've said – things were already extremely difficult for Mr B.

I also consider that receiving an email from the contractor, saying that work would be on hold due to a late payment, caused Mr B unnecessary distress. And whilst I acknowledge that NFU offered Mr B £100 for this mistake, I think the actions of NFU at that time, and more widely during those 12 months, shows the lack of urgency with which it was dealing with matters pertaining to Mr B's home. This clearly left Mr B feeling as though he was not a priority. I can appreciate how upsetting this must've been for Mr B, and the level of detail he's provided around how difficult this made his personal circumstances has persuaded me that NFU needs to do more.

I'm afraid I can't comment on the more recent issues, including that of outstanding contractor invoices which Mr B has contacted us about, saying he's been chased for payment of those invoices. This wasn't raised as a part of this particular complaint, so I won't be able to consider it. If this issue is not yet resolved, Mr B should be able to raise it directly with NFU – and ultimately he will be able to refer a further complaint to us about any ongoing, new matters should he remain dissatisfied, subject to the usual rules and time limits that apply.

I've seen Mr B's response to our Investigator's assessment, and I have a great deal of empathy for his circumstances. He's said that his life has been ruined through incompetency for years and that he has been experiencing immense stress since 2018. But I'm afraid that I've only been able to consider a portion of that time, as I explained. And as I've been able to identify what I consider to be inadequate service and preventable delays spanning a time period of around 11 weeks, I don't think the £100 NFU has offered is sufficient.

In terms of what happened between November 2022 and November 2023, from what I've seen, I think £500 compensation is fair and reasonable. Mr B can look on our website for examples of how we make awards for distress and inconvenience. But essentially, the level of compensation I'm awarding here reflects that the impact of NFU's delays and errors during that one year caused considerable distress, upset and worry, requiring a lot of extra effort on Mr B's part to sort out. And I've had regard for the fact that the impact lasted over many weeks and months. So I'll require NFU to increase its offer to that amount.

Putting things right

National Farmers' Union Mutual Insurance Society should pay Mr B £500 compensation for distress and inconvenience. From this it may deduct the £100 already offered to Mr B, if this has been paid to him and he has received it.

My final decision

My final decision is that I uphold this complaint and I require National Farmers' Union Mutual Insurance Society to put things right as I've set out above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr B to accept or reject my decision before 21 November 2024.

Ifrah Malik
Ombudsman