

The complaint

Mr H complains about the service that Fairmead Insurance Limited ("Fairmead") has provided when handling his claim for storm and escape of water damage to his property.

What happened

In November 2021, Mr H found that the flat roof on his two-storey rear extension had come away during a storm, and this had caused internal damage. He made a claim under his home insurance policy. Fairmead carried out an inspection of the damage and accepted the claim.

Fairmead asked Mr H to obtain a quote for the repair costs. It agreed to settle the claim based on that estimate, and remedial work then began in January 2022.

Mr H was unhappy with the length of time it was taking Fairmead to repair the damage, so he instructed a loss assessor to represent him. The loss assessor inspected the property, and said the repairs hadn't been done properly and should be re-done.

Fairmead instructed its own loss adjuster, which ultimately agreed that the repairs hadn't been carried out in accordance with the agreed schedule of works, or to an acceptable standard. Further investigations were carried out and a schedule of works for the storm related repairs was compiled. Fairmead said however that some of the damp areas hadn't been caused by the storm, so it didn't include these in the claim settlement.

Mr H's loss assessor disagreed with Fairmead's conclusions and further inspections were carried out, but an agreement couldn't be reached. So Mr H made a complaint. He said the service provided by Fairmead had been poor, and in March 2022, Fairmead upheld the complaint and offered Mr H £200 compensation for the distress and inconvenience it had caused.

Mr H raised a further complaint over a year later, as progress with his claim was still slow and this was causing significant frustration as well as affecting their health. Fairmead accepted it hadn't provided a good level of service, having caused avoidable delays – and it agreed there'd been a lack of communication. So a further £750 compensation was offered. But it reiterated that the damp issues were not caused by the storm so it wouldn't be covering these, and that it also wouldn't pay for Mr H's loss assessor and other costs he'd incurred.

Mr H remained unhappy, so he referred his complaint to this service. Our Investigator considered it, but didn't think it should be upheld. The Investigator said that although Fairmead had caused delays, its offer of compensation was fair and reasonable in the circumstances. And he also said he wasn't persuaded that all of the damage was caused by water ingress. So he didn't recommend Fairmead do anything differently.

Mr H didn't accept our Investigator's view, and asked that the complaint be reconsidered by an Ombudsman. So the matter has now been passed 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.

As this is an informal service, I'm not going to respond here to every point or piece of evidence Mr H and Fairmead have provided. Instead, I've focused on those I consider to be key or central to the issue. But I would like to reassure both parties that I have considered everything submitted. And having done so, I'm afraid I'm not upholding this complaint. I'll explain why.

I should firstly point out that in reaching this decision, and in determining what I consider a fair level of compensation to be for the delays and poor service Mr H has experienced, I've only considered the events following Fairmead's final response letter dated March 2022.

I won't be able to comment on the issues mentioned in that final response letter or events which precede that date, because that complaint was not referred to this service within six months of the date of the letter. The rules that govern which complaints we can consider are set out in the Dispute Resolution section of the Financial Conduct Authority's Handbook ("DISP").

DISP 2.8.2R says that unless the financial business (in this case Fairmead) consents to us considering the complaint:

"The Ombudsman cannot consider a complaint if the complainant refers it to the Financial Ombudsman Service:

(1) more than six months after the date on which the respondent sent the complainant its final response..."

Fairmead hasn't consented to our service considering the issues referred to in the March 2022 final response letter. DISP 2.8.2R(3) says the time limit can be waived if I consider there to have been exceptional circumstances for the delay in Mr H referring the complaint to our service. DISP 2.8.4G says an example of exceptional circumstances might be where the complainant has been or is incapacitated. Mr H continued to correspond with Fairmead during the time he could have referred his complaint to us, but didn't bring the complaint to us until November 2023, over 20 months after the date of the earlier final response letter. So I don't consider there were any exceptional circumstances preventing him from bringing that complaint to this service on time.

It follows therefore that I won't be able to comment on any of the issues complained about and dealt with in the March 2022 final response letter, including whether the £200 offered by Fairmead in response to that complaint was fair and reasonable. I can however look at the complaints made and dealt with in the May 2024 final response letter, because that complaint was referred to this service on time. That complaint deals with the delays since the previous complaint and poor service, as well as the issues raised in Mr H's September 2023 letter of complaint.

Distress and inconvenience

Considering that I can only look at delays and poor service after March 2022, I'm satisfied from the evidence provided, that Fairmead did cause avoidable delays and that its customer service and communication, throughout the time period I'm considering, should've been better.

I say this because, firstly, it's accepted that it communicated poorly and that there were excessive delays in progressing the claim. But I've also looked at the timeline of events, and everything Mr H and Fairmead have said. Mr H provided his signed mandate in November 2022, and following that, the claim should've been progressed. But it wasn't until January 2023 when action was taken by Fairmead to instruct the loss adjuster and obtain a preliminary report. The contractors appointed to carry out the damp survey didn't do what they were required to do, and another contractor had to be appointed in August 2023.

I consider these instances to be examples of avoidable delays during the claim, which caused Mr H distress and inconvenience for which he should be compensated. He's mentioned the health issues his wife experienced due to the black mould and damp, and I can appreciate just how worrying and difficult this time must've been for them both.

But I'm satisfied that the offer of £750 compensation is in line with what I'd award for delays of several months. Mr H and Mrs H were living in a damaged property for a prolonged period of time, and had the daily inconvenience of having to try to chase Fairmead so that repairs could be carried out to an acceptable standard and in a timely manner. The impact of Fairmead's actions lasted over many months and caused considerable distress, upset and worry, as well as significant inconvenience and disruption to their lives. So I consider £750 compensation to be fair and reasonable in the circumstances, for the amount of time Fairmead's actions affected Mr H and Mrs H – and because of the limitations in the period of time I can consider in this complaint.

The Claim

I know Mr H feels strongly that the damp areas in the kitchen and bathroom have been unreasonably dismissed as rising damp and plumbing issues, instead of Fairmead covering these alongside the rest of the storm damage claim.

But I've considered all the evidence provided, and I'm more persuaded by the expert report I've read following the damp survey, which says the extremely high moisture readings in the kitchen could be from rising damp and that the moisture in the bathroom could be due to a toilet cistern that was found to be leaking. This opinion was shared by Fairmead's surveyor too which persuades me further that it is not an unreasonable conclusion.

The expert evidence I've referred to is supported by photos, videos and sufficient reasoning, and there's no other expert evidence. I've considered the opinion of the drying company, which said the damage was due to water ingress – but I don't consider this to be expert evidence, so I've not placed as much weight on it. The leak that was later found, wasn't discovered at the time the drying company made its comments, and I don't consider Fairmead needs to demonstrate that the leak was present in 2022 in order to fairly decline the claim. I say this because it's referred to separate issues that have been discovered following a thorough inspection – which are issues that usually cause damp to occur and cause higher moisture readings in a property. So while those separate issues are likely contributing to the high moisture readings in those areas, I don't consider Fairmead to be obliged to put that damage right under the claim for storm damage.

Professional Fees

Mr H says his loss assessor's fees and other professional fees were rejected unfairly. But those fees aren't covered by Mr H's policy, so I don't think they were unreasonably rejected.

Mr H feels these costs were necessary due to Fairmead's failure to handle the claim properly and repair the damage, and I've thought carefully about this. But ultimately, it was Mr H's choice to appoint a loss assessor – which he did without obtaining assurance from Fairmead

that the cost would be covered under the policy. And he chose to incur those costs before bringing a complaint to our service.

Whilst I certainly appreciate Mr H's reasons for appointing the loss assessor to manage the claim on his behalf, I'm satisfied that he did so without any guarantee that his costs would be reimbursed. And Fairmead appointed its own surveyor. So it wouldn't be fair for me to require Fairmead to now cover these additional costs.

I'm sorry to disappoint Mr H, but I'm afraid that for the reasons I've given, I won't be requiring Fairmead to do anything differently here.

My final decision

My final decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr H to accept or reject my decision before 13 February 2025.

Ifrah Malik
Ombudsman