

The complaint

Mr and Mrs W were unhappy with how the outcome of their claim was communicated to them by Accredited Insurance (Europe) Ltd ("AI") under their home insurance policy. They don't understand why they weren't paid out under their home emergency cover.

What happened

Mr and Mrs W made a claim when they noticed rainwater penetrating their home, which subsequently caused staining to their ceiling.

AI appointed a surveyor to review and validate the claim. AI said its surveyor informed Mr and Mrs W at the time of the inspection that the external damage of the property wouldn't be covered by the policy.

AI said its surveyor informed Mr and Mrs W that they had accidental damage cover which would cover them for the subsequent internal damage to the property.

However, AI said the surveyor advised Mr and Mrs W that the repair costs would be less than the excess they'd need to pay if they went through with the claim. AI said its surveyor said it would be cheaper to arrange to have the repairs done themselves.

Mr and Mrs W were expecting a formal offer to be provided by AI in writing. When nothing arrived in the post, they contacted AI to get an update. They were shocked when they were told they'd withdrawn their claim. Mr and Mrs W denied this. They said they'd not been given anything formally to decide on. Mr and Mrs W said *"I have received numerous conflicting correspondence regarding my cover, including claims that I was talking to the wrong business. I have also been denied a £300 emergency cover pay out. This is because it was the 'wrong type of leak'."*

Our investigator decided not to uphold the complaint. She didn't find evidence that AI had done anything significantly wrong. Mr and Mrs W disagreed, so the case has been referred to an ombudsman.

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.

Mr and Mrs W have referenced cover they have in relation to home emergencies. I've checked the policy AI provide and it covers Mr and Mrs W's buildings and contents. The only emergency cover provided by the policy relates to emergency access to the property, where the policy covers repairs to any damage caused by gaining emergency access. This wouldn't be relevant to the claim Mr and Mrs W recently made.

It's possible Mr and Mrs W have additional cover through a home emergency policy with another insurer. However, as this doesn't relate to the cover and service AI provide, I won't be able to consider this in this decision, as I don't have jurisdiction to look at this. Mr and Mrs

W could still raise a separate complaint against their home emergency insurer if they feel it's appropriate.

I agree with the decision for the claim for the external damage to the property to be declined. There was no evidence that a one-off event that was covered by the policy caused the damage. AI did consider whether a storm had caused the damage. But, as the weather at the time of the reported incident fell a long way short of what is defined in the policy as a storm, I think AI were reasonable to decline this part of the claim. I've also noted that AI's surveyor at the scene had noted that the likely cause of damage was both a failure of the felt covering and the top mortar bed on the chimney, which are both gradual causes of damage which are excluded from the policy cover.

However, from reading the complaint, I think Mr and Mrs W were most unhappy in the way the decision was (or wasn't) communicated to them.

AI said its surveyor had communicated the outcome of the claim and had advised them it wasn't worth their while to continue with the claim. If this is what happened, then I'd say AI has followed a reasonable approach. Mr and Mrs W didn't have anything they could claim for in the policy for the external damage. And the internal damage (as documented in the surveyor's report) wasn't significant, so it's likely the excess payment (£350) would've been higher than any costs of repair. So, it would've made sense for Mr and Mrs W to have this repair carried out themselves. It would've been cheaper.

However, Mr and Mrs W were expecting a formal letter from AI with these options set out. I think it's good practice to close out the claim in writing. But it's not essential. Many insurers do this verbally using their surveyor. I think there may have been a mix up in understanding here between the parties on what was expected to happen next. I don't think it's anymore than this. From reading the surveyor's report, the advice given during the survey was probably the most reasonable approach.

Even if AI had written formally to Mr and Mrs W, it wouldn't have been able to set out what the cost would be for them to get their own contractor to do the repair. AI wouldn't have this information. However, it would have an idea of the range of cost it would expect, in order that the surveyor was able to provide some practical verbal advice.

Any letter from AI would only be able to set out the option that Mr and Mrs W could get AI to do the repair, which would've required them to pay £350 upfront for the excess. Or, as AI said its surveyor said, they likely could get their own contractor to do the work themselves for less money.

I appreciate Mr and Mrs W may have felt that the surveyor gave them reason to think AI may write formally with more information. I can't consider this as I wasn't party to any conversations that took place at the property. However, I do think the right outcome happened on the claim. I think most likely there was some confusion between the parties on how the outcome would be formally communicated. However, as I don't think this would have had any change on the outcome of the claim, I don't uphold this complaint.

My final decision

My final decision is that I don't uphold this complaint. I don't require Accredited Insurance (Europe) Ltd to do anymore.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs W and Mr W to accept or reject my decision before 10 February 2025.

Pete Averill
Ombudsman