

The complaint

Mr and Mrs A complain about the service received following a claim they made on their home insurance policy with Accredited Insurance (Europe) Ltd.

Reference to Accredited includes its agents.

For ease of reading, I'll refer to Mrs A only in the decision, because she's been the one corresponding with us.

What happened

Mrs A holds a home insurance policy with Accredited. When her home suffered an escape of water she made a claim for the damage caused.

Accredited accepted the claim and ultimately offered a settlement which Mrs A accepted. But Mrs A complains about the service received throughout the claim.

She's not happy with delays - with the claim being made in June 2023 and a settlement amount not offered until August 2024. She's unhappy with Accredited's decision to first decline alternative accommodation before agreeing to pay a monthly disturbance allowance. And she's unhappy she's had to chase progress several times and hasn't always received the call backs or responses she was promised.

Accredited initially offered £200 compensation for delays. But when the complaint came to us, it increased that offer to £500. It acknowledged some delays and poor communication throughout the claim. But it said a significant part of the delay – December 2023 to April 2024 – was out of its hands because the issue lay with the water supplier. It also said that further leaks were found in July and August 2024 which further delayed the claim – which again it didn't feel it was responsible for.

Mrs A didn't think this was enough, so rejected Accredited's increased offer of compensation and asked us to look into the complaint.

Our Investigator didn't think £500 was enough and thought £700 was more appropriate. They thought this better represented the distress and inconvenience caused by Accredited's actions, or inaction.

Accredited didn't agree with that assessment and asked for an Ombudsman's decision. Mrs A raised further points relating to being asked to pay for accessing the manhole and querying the final disturbance allowance payment. Our Investigator explained these issues weren't covered in the scope of this complaint.

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'm upholding it. I'll explain why.

While I've considered everything both parties have presented, I'll not be commenting on every argument or bit of evidence presented. Instead, in line with our role as an informal service, I'll comment on what I consider to be key to the dispute.

Here, I'm also not going to detail what happened, both parties are aware of the timeline of events and there's no real dispute surrounding that. What's in dispute is the amount of compensation Accredited need to pay to account for its service throughout this claim.

A claim such as this is always likely to cause disruption to daily life. But here, it's clear that disruption went beyond what Mrs A could reasonably expect, Accredited has acknowledged as much.

There were delays initially – although some of these Mrs A, not Accredited were responsible for - and the scope of work needed to be amended. Having the claim for alternative accommodation declined initially would have been distressing. Accredited rectified that decision reasonably quickly when informed of Mrs A's family member having a health condition which rendered the property uninhabitable to them.

There's some dispute around whether Mrs A had to chase those payments. What's clear is that they were authorised to be paid each month, in advance rather than in arrears. Accredited says Mrs A didn't need to chase them, but the claim notes don't show this. There's a number of occasions Mr A chases payment and the payment is then authorised. So, it's unclear whether or not those payment would have been authorised without those calls.

There's clearly some lengthy delays Accredited aren't responsible for. Those include the time period between December 2023 and April 2024 where the responsibility to progress the claim lay with Mrs A and the water company – which I note Accredited did pay a disturbance allowance for. They also include the period of June 2024 to the point it offered to settle the claim in August 2024. That's where further leaks, unrelated to the claim meant that the required work couldn't take place. I note Accredited didn't pay any further disturbance allowance once the further leaks were found, and I'm satisfied that's reasonable, after all, at that point it wasn't Accredited's actions or inactions preventing the claim to continue.

This all leads to the dispute around what needs to be done to put things right. Compensation for distress and inconvenience isn't an exact science. The distress and inconvenience caused is often a very personal feeling, so putting an amount on that isn't something that's always agreed by both parties involved.

Here, I'm satisfied that our Investigators recommendation of £700 is reasonable for the distress and inconvenience Accredited is responsible for. Much of the distress caused isn't its fault. But its actions have contributed to the additional stress caused throughout this claim. Mrs A has had to chase more often than could be reasonably expected, the reworking of the schedule of works would have added stress and delay at the beginning of the claim. And the decline of the alternative accommodation, especially when family health is considered, would have been distressing.

My final decision

For the reasons set out above, I uphold this complaint. To put things right Accredited Insurance (Europe) Ltd needs to:

- Pay Mrs A a total of £700 compensation.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs A to accept or

reject my decision before 10 April 2025.

Joe Thornley
Ombudsman