

The complaint

Mr R complained about the poor service he received and delays to his claim following damage to his property. He was covered by Accredited Insurance (Europe) Ltd ("AI") under a home insurance policy.

What happened

Mr R made a claim on 20 March when a third-party vehicle careered into a recently built side extension on his property. His boundary fence was damaged, and his extension needed demolishing and re-building as it was no longer safe.

AI arranged for a loss adjuster to visit within a few days of the claim being raised, but he needed a structural engineer to survey the property. Due to a surge in claims, AI couldn't arrange this until about four months later.

Mr R chased AI multiple times during this period to try and expedite his claim. His family and himself felt vulnerable as his property was left unsecured. The structural damage to the property made the family concerned for their safety. Mr R said it was an unacceptable situation.

AI recognised the limited availability of a regional surveyor delayed the claim. But, it said it did make safe the property and repaired the fence on 20 June. AI said a regional engineer visited the property with a contractor in early July. From this point, it said the claim progressed relatively smoothly and Mr R accepted a cash settlement for repairing the damage on 26 August.

AI said it informed Mr R he could arrange for the property to be made safe himself and it said he could've used some of his home emergency cover to support with this need. AI offered £500 compensation for *"the delays that occurred in the early part of the claim"*.

Mr R would like further compensation. He said he had to ensure someone remained in the house for three months whilst it was unsecured and was inconvenienced with the continual chasing up of AI about the progress of the claim.

Our investigator decided not to uphold the complaint. He thought the compensation offered by AI was fair for the delays it had caused. Mr R disagreed, so the case has been referred to an ombudsman.

My provisional decision

I made a provisional decision on this on 10 January 2025. I said:

"The total time that elapsed from the claim to when the claim was settled was around five months. Although, the final response letter was earlier than this (10 July), to allow these issues to be closed out, I'm going to consider the timeframe up to settlement being agreed. But I think both parties recognise the delays in the claim were caused by events during the first four months."

I've reviewed the photographs of the damage caused and it's significant. I can understand why Mr R was concerned about his family's safety. I don't think it would've been safe for any member of his family to go into the damaged part of the house (the extension), as it looks like there is every chance it could've collapsed.

I haven't seen any other damage presented, so my assumption is that the damage to the physical property was only the extension. I haven't seen any evidence or testimony to indicate the risk was further than this.

I can understand Mr R's frustration as he was looking forward to using the new part of his house. The collision itself caused the damage and we should remember this wasn't the fault of AI, so Mr R should've expected a certain level of inconvenience, this is natural in any claim. However, from the pictures Mr R shared with AI, it was clear a structural engineer would've been needed to review the damage. Unfortunately, this didn't happen for around three and a half months. I think this delay was avoidable.

I appreciate AI have said there was a surge in claims and resources were scarce. But, I think it has the responsibility to manage its resources effectively like any other business, even if these resources are not in-house. In buying a policy, Mr R would expect a good service and to be led smoothly through the claims process. I think AI let Mr R down here.

AI are the experts in managing claims so, Mr R would quite rightly expect AI to guide him through the process. I can't see that this happened. Mr R had to chase AI regularly to understand the progress of his claim and to try and expedite it. I haven't seen much evidence to show that AI did communicate particularly well with Mr R during the process. Certainly, there was little communication of what the process would look like and what help Mr R should expect.

It was clear Mr R was unhappy that his property was unsecured. I think this is understandable. A home is a family's base and provides it with the safety and protection from everything that goes on in the world. Knowing that the security of the building was compromised would've put an enormous stress on the family.

I appreciate AI told Mr R he could make safe the building and he could've used his home emergency cover. However, I don't think Mr R understood what this meant. I haven't seen evidence that this was clearly explained to Mr R during the process. The fact he asked the same question three or four times, should've highlighted there was an issue.

As leads in the process, I would've expected AI to have clearly communicated to Mr R what it meant by this. Did he need to get his own structural engineer to advise what was required? Could he have the building demolished so it wouldn't fall down unexpected? Should he have had the gap in the wall bricked back up? I'm not sure how Mr R would've known. He's not a claims expert and he's not a surveyor or builder. I think AI needed to provide more support and advice. I think it should've helped Mr R when he kept raising the same issues.

For the reasons I've set out, I think AI's delays and poor handling of the claim has caused considerable distress, upset and worry. Mr R has been significantly inconvenienced (chasing AI and making sure his house was not left empty). I don't think the level of distress and inconvenience in these circumstances should be under-estimated. It's easy to see why Mr R had concerns, and these concerns were over a sustained period of around three months. So, I intend to uphold this complaint. I intend to increase the level of compensation from £500 to £1,000, for the distress and inconvenience caused to Mr R".

Responses to my provisional decision

AI didn't respond to my provisional decision.

Mr R didn't say whether he accepted or rejected my provisional decision. However, he shared further context to his complaint so the "*broader impact of AI's handling of the claim*" could be understood.

Mr R explained the impact under five broad headings:

- Extended duration and repeated engineer visits
- Pro-active follow up from [Mr R]
- Lack of communication on prioritisation
- Impact on daily life and well-being
- Service expectations and trust.

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.

I appreciate the impacts on Mr R and his family have been significant. That's why I increased the compensation in my provisional decision. I can see Mr R accepted a cash settlement on the claim in August. I think the compensation I've awarded is fair and reflects the failures by AI to progress this claim up to this point. The award is consistent with our service's approach to awarding compensation. This is a significant award. I haven't heard any new information that persuades me to change my provisional decision. I'd considered these impacts when assessing the broad impact of AI's failures when I issued my original decision.

My final decision

My final decision is that I uphold this complaint. I require Accredited Insurance (Europe) Ltd pay Mr R:

- A total of £1,000 compensation – for distress and inconvenience (if some has already been paid, AI should deduct this from the amount payable).

*Accredited Insurance (Europe) Ltd must pay the compensation within 28 days of the date on which we tell it Mr R accepts my final decision. If it pays later than this it must also pay interest on the compensation from the deadline date for settlement to the date of payment at 8% a year simple.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr R to accept or reject my decision before 24 February 2025.

Pete Averill
Ombudsman