

The complaint

Mrs H and Mr H complain that esure Insurance Limited has unfairly handled a claim made on their building's insurance.

They feel delays have been added with the handling of a subsidence claim which has been ongoing since the notification of damage was provided in 2018 and this has resulted in avoidable distress and inconvenience.

What happened

Mrs and Mr H first notified esure of concerns about their property in July 2018. Our investigator set out a brief summary of the timeline of events with their view on the complaint and the facts of this have not been disputed.

A complaint was raised in April 2024 about the progress of the claim and in June 2024, esure issued a final response which accepted some delays had recently been added with an inspection of the drainage system not taking place as quickly as it could have. And timely updates about the proposed repair scheme to stabilise the property were not provided. Esure made a payment of £100 in recognition of this.

Our investigator didn't think esure had done enough when thinking about the impact of this claim and how it had been handled. They felt the claim had seen avoidable delays during the time it had been open and this had a significant impact on Mrs H and Mr H. And while the nature of a claim like subsidence was always going to have an impact and take time to resolve, the avoidable delays had added to this. They felt even when allowing for the Covid-19 pandemic which happened during the time this claim had been opened, it was unreasonably delayed and esure needed to do more to put things right.

An initial recommendation was made for esure to increase the award to £1200 in total. They also recommended that the claim be moved forward with an agreed engineer solution, providing a clear timeline to Mrs and Mr H on what to expect as soon as possible. Esure accepted this recommendation but Mrs and Mr H did not.

Mrs and Mr H felt the impact of this claim being delayed had a significant impact on their family life over the six year period considered from when the complaint was raised. It had stopped them doing things they might otherwise have done and the award didn't reflect fairly what they had experienced.

Our investigator reconsidered the complaint and said that they agreed this should be increased. They highlighted that not all of the things that Mrs H and Mr H had said about the distress and inconvenience could be shown to be the result of the delay. But they agreed there was substantial distress and worry with disruption added for a prolonged period of time. Based on this, they felt a further increase to £1500 in total was fair and reasonable and remained in line with our approach.

Esure didn't think it was fair to increase the award any further and asked that the complaint be referred for decision.

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'm upholding this complaint, for much the same reasons as our investigator.

As there is no dispute that delays have been added with the handling of this claim, I've focused on the matter outstanding now and whether the award recommended by our investigator of £1500 is a fair and reasonable way to put things right and recognise this.

Our Service sets out the award ranges we use with examples of what might fit into each of these on our website. This will inevitably not capture everything that could fit into the scenario but does provide a helpful guide. The award recommended here would be at the top of the £750-£1500 bracket.

Generally speaking, an award of this level is made if there has been mistakes that have caused substantial distress, upset and worry and or serious disruption to daily life over a sustained period of time.

This claim has clearly been ongoing for a sustained period of time, but the nature of a subsidence claim means this can often be the case – and significant disruption can be expected with the claim process. However, when mistakes have been made as they have here, it has resulted in avoidable delays and time added. This means the natural disruption of a subsidence claim has been experienced for longer than it would otherwise have been.

Mrs and Mr H have set out in some detail the impact this claim has had on them and I thank them for doing this. This has been shared with esure so I won't repeat the details here. But it shows clearly the level of disruption this claim has had on their lives and this has been ongoing for many years. And with this being added to with delays, it is right that this is accounted for and taken into consideration with the award made.

I agree with our investigator that not everything can be compensated for as things like whether the property is saleable or not are not something that can be proved. But the matter has caused real distress and upset to Mrs and Mr H over the years and the concerns they've had about this and the decoration of the property and feeling trapped are certainly understandable.

Mrs and Mr H have said there has been damage to their bathrooms because of the movement, but this isn't something that has been assessed or considered as part of the claim yet. This means I cannot consider this here as our investigator said.

Overall, I think a total award of £1500 for the impact of the delays in the handling of this claim is fair and reasonable. The progress has been slower than I'd generally expect and while every claim is different and things can and do impact this, there seems to be very little movement for periods of time here with Mrs and Mr H being left bearing the impact of this. It has resulted in substantial distress and upset as well as the inconvenience of needing to chase the progress of the claim and this level of award reflects this.

Putting things right

Esure needs to now pay Mrs and Mr H a further £1400 for the impact of the handling of this claim and its progress. If the £100 awarded in its final response of June 2024 was not paid, I'd expect it to pay this too.

It should work with Mrs and Mr H to progress the claim promptly with an agreed engineer solution and provide a timeline of what to expect with the future works and repairs.

My final decision

For the reasons I've set out above, I uphold Mrs H and Mr H's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs H and Mr H to accept or reject my decision before 30 May 2025.

Thomas Brissenden
Ombudsman