

The complaint

Ms S is complaining about the way Protector Insurance UK has handled a claim she made against a commercial property insurance policy.

Protector has used a number of agents to handle the claim on its behalf. But for ease of reference I shall refer to anything the agents did or said as being done by Protector.

What happened

In January 2024 Ms S contacted Protector to claim for damage to a flat she was the leaseholder of. In June 2024 she complained about the way Protector was handling the claim. In particular she complained about the following:

- The works still weren't completed – and largely not started – despite the leak occurring five months beforehand.
- There were long delays in communication.
- Protector took around two months to refund her electricity costs.
- She disputed she was liable for the excess as she believed the council – as the policyholder – was liable for this.

In August 2024 Protector acknowledged it had caused some delays and apologised for this. It said it would ensure the claim progressed. Ms S referred her complaint to this Service.

Our Investigator said she could only consider Protector's actions up to the date it issued its final response to Ms S's complaint on 8 August 2024. She acknowledged Ms S remained unhappy with the way the claim progressed after that, but she said Protector needed to have the opportunity to respond to that complaint before this Service could consider it.

However, she thought Protector had unreasonably delayed the claim up to 8 August 2024. And she said the following:

"Delays

I've reviewed the claim timeline between 11 January until 8 August 2024 and I can see there were avoidable delays of over two months approximately.

In Protector's final response sent in August 2024, I understand they were aware unnecessary delays were caused during this period.

On 2 February 2024, Ms S was told an electrician wasn't needed and was later told on 22 February that an electrician was required, so the electrician was only authorised by Protector on 2 March. This caused a delay to the drying works, and I appreciate this delay would've caused Ms S further distress.

Once Protector received the excess payable by the policy on 26 June 2024 from Ms S, [Protector] didn't attend the property. I can see no further progress was made during this time and I can see Ms S was offered a cash settlement after Protector issued their final

response on 8 August 2024. In Protector's final response, it said [Protector] tried to contact Ms S at the end of July to arrange an appointment, however I haven't seen any evidence of this in the claim notes. I would also expect [Protector] to follow up on any missed calls if there were any especially as the claim had already been delayed, however I can't see any evidence to show this. I think this was an unnecessary delay. I also understand there was another escape of water reported in May which caused further damage so once the excess was received in June, Protector should've visited the property promptly to investigate and assess the damage to Ms S's property. I appreciate this unnecessary delay caused by Protector would've added to Ms S's distress and frustration.

I understand Ms S is no longer complaining about the excess payable under the policy and confirmed this is now resolved as she has paid this, so I haven't investigated this. Based on the available evidence, I think it's clear there were avoidable delays caused by Protector and I don't think it has acted fairly or reasonably.

Communication, handling of the claim and poor works

In Protector's final response, I can also see they acknowledged the poor communication.

Looking at the claim notes for the above period, I can see Ms S contacted Protector to raise certain issues in the claim which weren't looked in to as promised. For example, Ms S had asked a question regarding the tiling, raised issues regarding the faulty dehumidifiers and also whether an electrician was required. I don't think Protector acted fairly or reasonably, as she had to chase Protector several times for a response to these claim queries.

I can also see on 1 May, Ms S reported issues with her bath not draining properly since [Protector] completed some works. However, I can see Protector didn't provide her with an update regarding this until the end of May and explained they would look into this once they started rectification works. I don't think this was reasonable and I think this should've been investigated sooner.

I can also see Ms S provided her utility bills on 10 May for reimbursement of her drying costs and I can see she didn't receive reimbursement until the end of June. I don't think this delay was reasonable and should've been paid sooner.

Based on the available evidence, I don't think Protector's handling of the claim was fair and reasonable and it's understandable these issues would've caused Ms S unnecessary distress and inconvenience.

How to put things right

To put things right, Protector Insurance UK should pay £350 compensation for the distress and inconvenience due to the unnecessary delays and the handling of the claim."

Ms S didn't think the compensation the Investigator recommended was sufficient. In particular she said she and her son were unable to have full use of the bathing/showering facilities due to the drainage issues. She didn't think the compensation was a fair reflection of the weeks of delays caused.

Protector didn't respond to the Investigator's opinion.

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've come to the same conclusion as the Investigator and I'll now explain why.

In the first instance, I need to set out, as the Investigator said, in this decision I can only consider Protector's actions up to 8 August 2024 – when it issued its final response to Ms S's complaint. I recognise Ms S thinks that's unfair. But the dispute resolution rules set by the Financial Conduct Authority say a financial business has the right to resolve a dispute before this Service can consider a complaint. Ms S has raised a new dispute about Protector's actions after 8 August 2024 and that complaint is being considered under a separate complaint reference.

The Investigator has said she thinks Protector has caused around two months of delays and I agree for all the same reasons. In summary, I've identified the following delays in the handling of the claim:

- It took around seven weeks to install drying equipment in the property.
- It also took around seven weeks for Protector to refund Ms S's increased electricity costs.
- Ms S highlighted there was a drainage issue in the bathroom after works carried out, but further delays ensued until this was resolved.
- Ms S paid the excess on the policy on 24 June 2024 but Protector didn't try and contact her to progress the claim until 28 July 2024, which was only after Ms S chased a response.
- There were delays in responding to Ms S's requests for updates.

Ms S has said all the delays have caused her a lot of distress and inconvenience – in particular not having washing facilities. But I do think some of the delays are down to her disputing her liability to pay the excess. I can see both Protector and the Council set out she was liable for this as soon as she raised this. And both provided explanations why. While I recognise she didn't think she was liable, I can't hold Protector liable for any delays arising from this as it was clear she was liable for this. And it's standard practice that rectification works won't start until the excess is paid.

Ms S has said she didn't pay the excess because she was unable to do so until Protector paid the electricity costs. But I'm not persuaded that's the case as I can see she was still disputing she was liable for the excess up to the day she paid it. I think it's this dispute that's the reason she didn't pay the excess sooner. And, as I said, I don't think Protector is at fault for this.

It also needs to be recognised that there will always be a degree of distress and inconvenience when making a claim such as this. And Protector isn't liable for that. But, as I said, it has caused around two months of delays and it should compensate Ms S for that.

Ms S doesn't think the £350 in compensation the Investigator recommended was sufficient. But I think it is fair. I recognise she will have had some inconvenience from the drainage issue. But I haven't seen anything to show she couldn't use the washing facilities, although I recognise it wouldn't have been a nice situation to be in. I also note she did have to chase Protector several times to get the claim to progress. But £350 is in line with what I would have awarded. So I think it's fair.

My final decision

For the reasons I've set out above, it's my final decision that I uphold this complaint and I require Protector Insurance UK to pay Ms S £350 in compensation.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms S to accept or reject my decision before 19 June 2025.

Guy Mitchell
Ombudsman