

The complaint

Mr B and Mrs B complain about U K Insurance Limited (“UKI”) and the ongoing delays and communication issues he’s experienced during the claim process, following a fire at his home.

Mr B has acted as the main representative during the claim and complaint process. So, for ease of reference, I will refer to any actions taken, or comments made by either Mr B or Mrs B as “Mr B” throughout the decision where appropriate.

What happened

The claim and complaint circumstances are well known to both parties. So, I won’t be outlining them again in detail. But to clarify, this decision focuses on the complaint issues raised and addressed in UKI’s complaint responses issued in May and July 2024. I’m aware our service has already provided decisions on the complaints Mr B raised before this time.

The complaint issues I have considered centre around the progression of Mr B’s claim, and the communication provided to him, from June 2023 to July 2024. UKI upheld Mr B’s complaint about these issues and paid a total of £650 in compensation across their two responses to recognise the impact these created. Mr B remained unhappy with this overall response, so he referred his complaint to us.

Our investigator looked into the complaint and upheld it. They agreed UKI, and their agents, had failed to progress Mr B’s claim appropriately, which had created avoidable delays in the reinstatement works. And they agreed that UKI, and their agents, had failed to communicate with Mr B effectively as they should have. But they didn’t think the compensation paid by UKI was enough to compensate Mr B appropriately and so, they recommended UKI paid a further £250, taking the compensation to £900 in total.

UKI accepted this recommendation. But Mr B didn’t, providing several arguments setting out why. This included, and is not limited to, Mr B’s understanding created by our investigator that we may look to direct UKI to appoint new contractors/agents to manage the repairs, to recognise the difficulties he had experienced up to that point. So, he queried why this wasn’t a direction we had recommended. And Mr B also reiterated the significant impact the entire claim journey, and the issues he had encountered, had caused him and his family. As Mr B didn’t agree, the complaint has been passed to me for a 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.

Having done so, I’m upholding the complaint for broadly the same reasons as the investigator. I’ve focused my comments on what I think is relevant. If I haven’t commented on any specific point, it’s because I don’t believe it’s affected what I think is the right outcome.

Before I explain why I've reached my decision, I want to make it clear the scope of what I've been able to consider, although I want to make it clear I do appreciate Mr B is likely to have a working understanding of this already and so, this isn't intended to appear repetitive from advice he's received previously. I note Mr B has raised previous complaints which have already been considered and decided by our service. The most recent of these decisions considering the issues Mr B faced up to June 2023. So, these issues, and the impact they caused, can't be considered within my decision here.

Instead, my decision will focus solely on the issues raised with UKI that were addressed in their complaint responses issued in May and July 2024. And when doing so, it will focus only on the events that occurred between June 2023 and July 2024. Any events that have occurred after July 2024, and the impact these events caused, would need to be raised with, and considered by, UKI and our service separately.

And when considering the issues I have been able to consider, which centre around the claim progression and communication provided to Mr B during this time, I note it's already been accepted by UKI that their agents, that they are ultimately responsible for, have failed to progress Mr B's claim as they would expect. And, that their agents failed to communicate with Mr B appropriately, especially in light of his previous service concerns.

So, I'm satisfied the merits of Mr B's complaint aren't in dispute, as it's been accepted by UKI that they have acted unfairly. Because of this, I don't intend to discuss the merits in detail.

But for completeness, I do think it would be useful to provide a summary of my own findings. Having reviewed all the evidence available to me, which includes a substantial set of information from Mr B which I thank him for providing, I'm satisfied there have been a series of delays and communication failures between June 2023 up to the final complaint response in July 2024.

This includes, and is not limited to, a clear delay in the production of a revised schedule of works by UKI's instructed surveyor, who I'll refer to as "P". And what I deem to be a failure by UKI's appointed loss adjustor, who I'll refer to as "S", to manage the claim as proactively as I'd expect. I'm also satisfied there has been a clear lack of communication between Mr B and the agents, which includes the appointed contractor, who I'll refer to as "W".

So, as I'm satisfied UKI have acted unfairly and unreasonably, I have then turned to the point that I feel does remain in dispute, which centres around what UKI should do to reasonably put things right.

Putting things right

As I've already set out above, when deciding what UKI should do to put things right, I'm only able to consider the impact suffered by Mr B and Mrs B between June 2023 to July 2024. I recognise the claim has moved on since this time, and it's likely there has been additional impact to them, but this isn't something this decision is able to consider or compensate them for.

And I want to reassure Mr B I've thought carefully about his comments surrounding conversations he held with our investigator, where he states he was led to believe we could direct UKI to take certain action, such as the appointment of new contractors and agents, to help move his claim forward.

While this is something our service can consider in limited circumstances, this isn't something I think is appropriate here. This is because I am aware the claim has progressed

from the time period I'm able to consider, with a schedule of works being provided and reinstatement work starting again. So, I'm satisfied any direction of this nature would be disruptive to the ongoing claim process and I'm not persuaded it would be beneficial in this situation.

I must also point out that it would be unlikely, and at best very difficult, for UKI to find a new contractor or agent to step in to carry on with the works, as they would be required to guarantee and be responsible for these. So again, I'm persuaded a direction of this nature would be counter-productive to Mr B's end goal, which is for the repair works to his home to be completed as soon as reasonably possible.

Instead, I'm satisfied a compensatory payment to address the impact Mr B and Mrs B have encountered would be most appropriate. And I note UKI accepted our investigator recommendation of an additional £250, taking the total paid for the issues I can consider to £900 in total.

Having considered this recommendation, I'm satisfied it's a fair one that falls in line with our services approach and what I would have recommended, had it not already been put forward.

I'm satisfied this payment is significant enough to take into consideration the extent of the delays and communication issues Mr B experienced, and how this required him to take such an invested role in the process which I've no doubt would have been frustrating and inconvenient. And, that it also takes into consideration the suffering Mr B and Mrs B, and their family, would have faced living in a property that was awaiting significant repairs for longer than they should have.

And, while I'm unable to directly consider the issues he encountered before June 2023 as they have already been decided upon, I think the increased payment fairly reflects the fact that many of the issues Mr B has faced are continued failures that UKI have failed to learn from previously.

But I'm satisfied the payment is also reflective of the clear complexity of the reinstatement work required. And that, from the information available to me, I'm satisfied all agents of UKI were attempting to ensure the repair works were correct, and of the right standard, even if this took longer than it should have to arrange. It's important to note that in any claim of this nature, there is expected to be a level of distress and inconvenience caused to a customer, due to the extent of the damage and the difficulty in repairing it correctly.

So, for the reasons outlined above, the additional £250 payment is one I'm directing UKI to pay, to take the compensation Mr B and Mrs B has received for these issues to £900 in total.

I understand this is unlikely to be the outcome Mr B and Mrs B were hoping for. And I want to reassure them I've thought carefully about all the comments they have put forward including their view that UKI continue to make similar mistakes without any learning being taken, or changes made.

Again, I want to reiterate I've only been able to consider the period I've set out above. But I do want to remind UKI that they have a responsibility to deal with claims of this nature fairly, and promptly. And this includes ensuring similar mistakes aren't made which impact the progression of the claim repairs. Should Mr B and Mrs B continue to remain unhappy with events that have occurred after July 2024, they should raise these with UKI directly and I would expect UKI to respond accordingly, taking the above into account.

My final decision

For the reasons outlined above, I uphold Mr B and Mrs B's complaint about U K Insurance Limited and I direct them to take the following action:

- Pay Mr B and Mrs B the additional £250 required to ensure they receive a total of £900 in compensation to recognise the above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr B and Mrs B to accept or reject my decision before 20 May 2025.

Josh Haskey
Ombudsman