

The complaint

Mrs M complains about the way Brooklin Claims Consultants Ltd (BCC) handled a claim, as a loss assessor, that she made on her home insurance policy.

Mrs M has been represented on the claim and complaint by her representatives. For simplicity, at points, I've referred to the actions of her representatives as being her own.

What happened

Mrs M had a home insurance policy, with an insurer I'll refer to as A.

In February 2022, after a fire caused damage to her buildings and contents, she made a claim with A. Mrs M entered into a contract with BCC, for it to act as a loss assessor on the claim.

In August 2022, BCC submitted the loss list for contents beyond economical repair (BER) to A, which included a sofa bed, a footstool and two armchairs (thereafter referred to as 'the furniture'). BCC submitted costs totalling around £7,446.00 for the furniture to A.

In October 2022, A said the value for the furniture was exaggerated, and the furniture brand presented in BCC's submission didn't match the label and brand on the actual furniture. Following this, A declined cover for the cost to replace the furniture.

Under a separate complaint, another ombudsman at our service found that A acted fairly on relying on its policy exclusion to decline cover for the furniture. This was on the basis the costs claimed for were higher than they should have been.

Mrs M complained to BCC in January 2024. She said BCC mishandled the claim for the furniture and this led to A refusing to pay that part of the claim. She said BCC advised an estimate could be submitted but then submitted an excessively high valuation. She also said BCC didn't pass on the correct furniture brand information to A when she'd provided this. She wanted BCC to pay the cost of the furniture replacement.

BCC issued a complaint response in April 2024. It said the costs and information it submitted to A were based on guidance and information from Mrs M's representative. It said it had sought Mrs M's representative's guidance and agreement on higher priced items such as the furniture. It didn't uphold the complaint.

Mrs M referred her complaint to the Financial Ombudsman Service. She said BCC's failures led to A refusing to pay the furniture replacement costs and to A making accusations of fraud. She said BCC hadn't been transparent with her or A. She said BCC submitted the costs and brand information based on its own research. As a result of BCC's actions, she said she lost out on the money to replace the furniture that was damaged in the fire.

The investigator upheld the complaint. They said BCC was required to investigate the costs and information before submitting the claim to A, and that its failures led to Mrs M's furniture claim with A not being paid, causing distress, upset and worry. They said there wasn't

evidence to show Mrs M, or her representatives, suggested the furniture brand BCC specified when it submitted the information to A. They recommended BCC pay the amount A would've paid for the furniture, with interest, along with £400 compensation.

BCC disagreed. It said it provided an initial valuation of £1,800 for the furniture, but this was revised following objections and information from Mrs M's representative, and with their approval. BCC said it didn't make the final decision on the presentation of the claim to A.

Because the complaint couldn't be resolved, it's been passed to me to decide.

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 should first set out that the Financial Ombudsman Service is a dispute resolution service, not the regulator of the insurance industry. So, it's not our role to fine and punish a business. Our role is to look at whether a business has acted fairly in the circumstances of the complaint and decide what it needs to do where it hasn't.

BCC's role

I'm satisfied that BCC was acting on behalf of Mrs M as a loss assessor, to handle the claim.

I consider a key role of a loss assessor is to communicate clearly, fairly and promptly with the policyholder. And I'm satisfied this extends to communication with the insurer, which is done on the policyholder's behalf. I consider this part and parcel of providing effective assistance in the administration and performance of the contract of insurance.

In addition, I can see that in its communication to Mrs M leading up to its appointment, BCC said it would do the following for Mrs M, as part of its role as loss assessor:

- Handle every aspect of Mrs M's claim, from start to finish, including all claim administration, the quantification of the claim and negotiation of the settlement.
- Liaise with the insurer and provide help and advice.
- Ensure the optimum settlement is achieved on the claim.
- Ensure the claim is correctly prepared in accordance with the terms and provisions of the policy.

I've kept all the above in mind when considering if BCC provided a satisfactory service in submitting the claim with A for settlement, whether all the issues of the claim were identified and dealt with and whether BCC's actions in submitting the claim for settlement were fair and reasonable.

BCC's actions

The evidence I've seen shows BCC attended Mrs M's property shortly after the date of loss. So, I consider it would've been able to inspect the furniture directly as needed. BCC says its agent first provided a valuation of £1,800 for the furniture, based on their opinion of like for like replacements. Mrs M's representative accepts they were unhappy with that valuation and that they said costs were likely to be higher. But I don't consider this was unreasonable on the part of Mrs M's representative, as BCC hasn't provided evidence to show the £1,800 valuation was fair. And the evidence shows this valuation was significantly lower than the replacement cost A and Mrs M obtained, once the correct brand had been established. It follows that I don't consider BCC's initial valuation of £1,800 was fair in the circumstances.

So, I don't think BCC can fairly rely on this initial valuation to say it was not responsible for the subsequent revision.

BCC submitted costs for the furniture to A in August 2022, with a value of £7,446.00, and it included links to a brand I'll refer to as B, for all the furniture items. Having reviewed the evidence, I'm not satisfied that this value, or the brand itself, was suggested by Mrs M or her representatives. I'll explain why.

In December 2022, in their submission to A, Mrs M's representative confirmed that BCC's agent picked the brand. This was followed up with further submissions to A in January 2023, where they maintained BCC's agent identified the brand based on that agent's opinion on a like for like brand. Again, in March 2024, Mrs M's representative confirmed again to A that BCC's agent decided on the brand and the value.

I've not seen sufficient evidence to show Mrs M, or her representatives, provided the value of £7,446.00, or the brand BCC specified to A. And I consider Mrs M, through her representatives, has been consistent since 2022, in her position that BCC decided on the value and brand. On balance, I think it's more likely than not that BCC's agent decided on the furniture value, based on their own conclusions about a comparable furniture brand and the associated likely costs.

I can see that the brand BCC chose, in calculating the value, and submitting this to A, was for luxury furniture, and a brand from a different country to the actual brand of Mrs M's furniture. I consider the correct furniture brand information was readily accessible to BCC, during its visit to the property, or when it arranged the furniture storage. I say this because I've seen the label on the furniture, and this included the correct brand and model information. And I've not seen evidence to show Mrs M, or her representatives, told BCC the items amounted to luxury furniture. So overall, I don't consider BCC's actions in opting for the brand B, and submitting the furniture claim with a total value of £7,446.00 was fair.

I can also see that in August 2022, BCC provided an image of the furniture label to A. And this demonstrated clearly the actual furniture brand, the model, and the registered location of the correct brand. But despite BCC having access to this information, I can't see that it used this to inform its decision on the brand of the furniture, and the associated likely replacement costs. Nor can I see that BCC used this information to proactively correct what it had submitted to A. And I've not seen evidence to show BCC communicated the label information to Mrs M. And I think it acted unfairly in not doing so.

And despite A raising concerns about the furniture brand and costs, and raising the duty to take reasonable care in relation to the claim submitted, I can't see that BCC communicated this information to Mrs M. Instead, BCC replied to A to insist that Mrs M did in fact purchase the furniture from the brand B. Because I can't see evidence to show Mrs M, or her representatives, told BCC at any point, the furniture was purchased from brand B, I don't think BCC acted fairly, or in Mrs M's best interests, in making the above statement to A.

Furthermore, following BCC's communication with A in August 2022, I can see that Mrs M's representative contacted BCC's agent directly in September 2022 to confirm the correct furniture brand. BCC's agent agreed to pass this on to A, but there's no evidence to show this was passed on, nor is there evidence to show BCC used this information to amend the brand information and associated costs it submitted to A. And I think it acted unfairly in not doing so.

Overall, I think BCC's actions led to A's decision to deny the furniture claim based on the high costs claimed and incorrect brand information. And I think BCC'S actions also deprived Mrs M of the opportunity to clarify information with A before it made the decision to deny the

furniture claim.

BCC said Mrs M, through her representatives, confirmed they were happy for the information to be submitted to A. But I don't consider this amounted to confirmation by Mrs M that the amounts and information was correct. I think Mrs M was entitled to rely on BCC's promise that it would handle the quantification of the claim and ensure the claim is correctly prepared in accordance with the terms and provisions of the policy with A.

BCC also said Mrs M was complimentary about the actions of its agents prior to her complaint. Mrs M doesn't dispute this, but she's said although BCC's agent was kind and courteous, he did make some significant errors in representing her, including not acting transparently with her or A once it was evident he'd valued the furniture incorrectly. And for the reasons outlined above, I agree with Mrs M that BCC's agent didn't act fairly in the circumstances.

Financial impact

For the reasons outlined above, I'm satisfied that BCC acted unfairly in submitting the furniture claim for a total of £7,446.00, and claiming the furniture brand was B. I'm also satisfied, for the reasons outlined above, that BCC acted unfairly in not using the information it had access to, to decide the correct brand and likely replacement value, or to correct and amend the information it submitted to A, proactively.

And because A's decision was based on the costs claimed being exaggerated, and the alleged brand (B) not in keeping with the actual furniture brand, I'm satisfied it's more likely than not that BCC's actions and decisions led to A's decision not to pay Mrs M the replacement costs for the furniture.

The investigator recommended BCC pay Mrs M the amount A would've paid for the furniture, but for the higher costs and brand claimed, and I think this is fair in the circumstances.

A confirmed that it considered the correct replacement value and its limit of liability, to be £2,689. This was based on its physical inspection of some of the furniture and research into the costs for like for like replacements using the correct brand and retailer. Mrs M feels the like for like replacement costs would've been higher, but I'm satisfied A would more likely than not have relied on its own research and conclusions. So, I consider it more likely than not that £2,689 is what A would've paid Mrs M. This is therefore what I will direct BCC to pay.

And because I consider BCC's actions meant Mrs M was unfairly deprived of this amount, I think it should add interest to this.

Non-financial impact

To be clear, under this complaint, I'm only able to consider, and compensate for, the impact to Mrs M directly, as she is the policyholder and so, customer of BCC. So, while I appreciate BCC's actions may also have impacted on Mrs M's representatives, causing them difficulty and upset, this isn't something I'm able to consider and compensate for.

Keeping in mind Mrs M's age and vulnerability, I'm satisfied BCC's actions would've caused her considerable distress, upset and worry, along with significant inconvenience that lasted over many months. I can also see that A's allegations of fraud against Mrs M's representative prompted Mrs M to write directly to A, where she said she felt she'd let her representative down. So, I'm satisfied this did have some direct impact on Mrs M.

For this reason, I agree with the investigator that £400 is fair and reasonable compensation in the circumstances. So, this is what I will direct BCC to pay Mrs M.

My final decision

My final decision is that I uphold this complaint and require Brooklin Claims Consultants Ltd to:

- Pay Mrs M £2,689 for the replacement cost of the furniture.
- Add interest to the above at a rate of 8% simple per year, from the date other parts of Mrs M's home insurance claim were settled, to the date of settlement. *
- Pay Mrs M £400 compensation.

* If BCC considers that it's required by HM Revenue & Customs to deduct income tax from that interest, it should tell Mrs M how much it's taken off. It should also give Mrs M a tax deduction certificate if she asks for one, so she can reclaim the tax from HM Revenue & Customs if appropriate.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs M to accept or reject my decision before 4 June 2025.

Monjur Alam
Ombudsman